

INFOPACK

Capitalism and Democracy

15423
CLIC
SOPHEA

SOCHARA
Community Health
Library and Information Centre (CLIC)
Community Health Cell
85/2, 1st Main, Maruthi Nagar,
Madiwala, Bengaluru - 560 068.
Tel : 080 - 25531518
email : clic@sochara.org / chc@sochara.org
www.sochara.org

INFOPACK

Capitalism And Democracy

COMMUNITY HEALTH CELL

Library and Information Centre

No. 367, Srinivasa Nilaya, Jakkasandra,
I Main, I Block, Koramangala, Bangalore - 560 034.

**THIS BOOK MUST BE RETURNED BY
THE DATE LAST STAMPED**

30/2/15.
1283

Infopack :

Capitalism And Democracy

Editor
Piyush Pant

Designed by
Akhil Srivastava

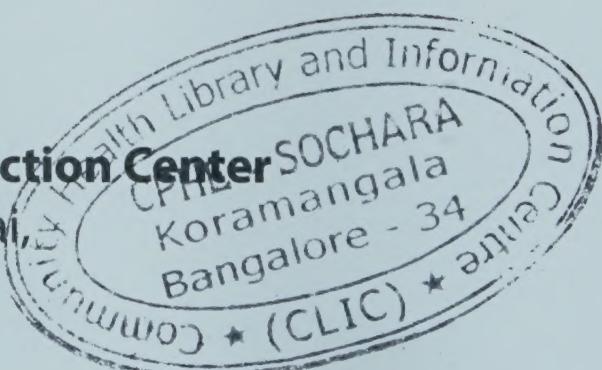
Printed by
Design & Dimension
L / 5 - A, Shekh Sarai, Phase - II
New Delhi - 110 017
Phone: 9810686122

Published by
PEACE : Popular Education & Action Center
A-124/6 (2nd Floor) Katwaria Sarai,
New Delhi - 110 016

May 2015

INDIA

For private circulation only



pol-100
15423
PL5

CONTENT

PREFACE

...5

1. *The History of Democracy: A Marxist Interpretation*
by Brian S. Roper ...9
2. *Managing Democracy, Managing Dissent*
edited by Rebecca Fisher. ..57

PREFACE

Democracy has been the most desired and accepted form of government formation. Democracy as a political principle and as a form of government is expanding globally. It is recognized now that every human being must have an effective say in the decisions affecting his or her life. The notion that every government must respect this fundamental principle has greater acceptance than ever before. The ideal of self-rule fires up peoples' imagination all over the world. Democracy may not be a form of government that is experienced globally, but it has become an aspiration that is shared across the globe.

The globally dominant notion of what democracy means, however, does not reflect the journey of democracy. The prevailing orthodoxy about democracy draws upon the limited experience of a small part of the globe. Selected facts of European and North American history have been turned into abstract principles. One of the many strands of western political thought has been assumed to be the sole repository of the normative imagination for democratic practices in different societies at different points of time. An idealized notion of western liberal democracy hegemonizes the democratic imagination. It is assumed that capitalism and modernity have an intrinsic relationship with democracy. This hegemony of the western experience and imagination may not always affect popular struggles that are being waged in the name of democracy all over the world. Yet, it does limit the translation of popular aspirations, practices and struggles into a set of norms, institutions and theories in the Global South. It also limits the deepening of democracy within the Global North.

Rebecca Fisher of Corporate Watch says that capitalism and democracy have been locked in a contradictory yet interdependent

relationship throughout their history. Despite popular conceptions, liberal democracy has emerged as a mechanism which has, in effect, limited popular participation, and operated as a legitimating device to protect capitalism from more direct forms of democracy. She observes - "The emphasis purely on the procedural aspects - primarily elections typically held every few years - to define democracy is a fundamental mechanism by which the popular participation in decision-making is suppressed, and social antagonism caused by capitalism's structural inequalities contained. Labeling such a system democracy, simply by virtue of holding elections, and without reference to who is in a position to muster the political and cultural resources to become a candidate, or what other forces wield power over those candidates or exert power over and above the sphere of representative politics, is a powerful ideological weapon with which to manipulate public opinion and engineer consent, especially given the power of naming - or misnaming - to shape how we understand our world. Conversely, a more participatory form of democracy would prescribe a far deeper engagement in political decision-making by the entire populace, and ensure equality of access to political power."

In a similar tone, William I. Robinson of California University writes: The term 'polyarchy' is more accurate to describe this system in which "a small group actually rules and participation in decision-making by the majority is confined to choosing among competing elites in tightly controlled electoral processes."

Rebecca Fisher further feels that both representative democracy and capitalism emerged as defensive strategies against social struggles for a more equitable and less exploitative system.

It is said that the efforts to spread the ideology and practice of profoundly limited democracy are a direct result of the fraught and contradictory relationship between capitalism and democracy, and their ultimate incompatibility. As capitalist expansion deepens, enclosing more and more of the world's commons and commodifying more goods and services, particular democratic practices - primarily voting in elections - emerged to contain the resistance that these enclosures generate. However, these democratic practices have had to be continually restricted and limited in order to insulate the processes of capitalist capture from political pressure from subjugated classes and groups.

As we have seen, this has led to an unstable and sometime precarious hegemonic order in which, by virtue of its multiple and contradictory meanings, democracy is both a mask to legitimate capitalist coercion, and a direct threat to those coercive forces. Thus the existing supposedly democratic systems have to become ever more anti-democratic in line with capitalist expansion, thereby jeopardizing the claims made that capitalism is, or can be, democratic, which remains a crucial means of securing public consent.

Fisher says that in the present neo-liberal era we are, therefore, experiencing increasing corporate domination of many allegedly 'democratic' decision-making processes - from the revolving doors between Companies and government, to the large-scale corporate bankrolling of election campaigns to encourage candidates' loyalty to corporate, rather than public interests; from the insulation of monetary policy making from any form of even nominally democratic control, to the deployment of corporations to rebuild the political structures of Iraq's 'democratic' government, and even its basic economic and monetary systems following the invasion.

Although acknowledging that the influence of the citizenry over government is greater in representative democracies than in modern fascist and/or authoritarian dictatorships, and constitutes a qualitative advance over the coercive exploitation of serfs and peasants by the absolutists state of the late feudal era, Marxists argue that the amount of substantive influence that citizens can, in the normal course of events, exert over government in representative democracies is limited.

At the centre of Marx's critique of representative democracy is his observation that 'the specific economic form, in which unpaid surplus-labour is pumped out of direct producers, determines the relationship of rulers and ruled'. This is most pronounced in capitalism, where the irony is that an economic system that has a vastly superior capacity to generate surplus product over and above the subsistence needs of the direct producers (compared with all previous modes of production) appears to be non-exploitative. This is because the relationship between capitalists and workers appears to be regulated by 'free and fair' market exchange.

Marx calls representative democracy a swindle not because it is undemocratic, but because this specific form of democracy is inherently

limited: it systematically and necessarily excludes the majority of labouring citizens from exerting effective control over their work-places, resource allocation, social institutions and the state. Representative democracy is also a swindle because ideologically it creates and sustains the illusion of popular sovereignty and influence, while actually acting to undermine and limit the latter.

We bring here the summary of two very important books on '**Capitalism and Democracy**', namely '**The History of Democracy: A Marxist Interpretation**' by Brian S. Roper and '**Managing Democracy, Managing Dissent**' edited by Rebecca Fisher.

Piyush Pant

Manidipa Baul

THE HISTORY OF DEMOCRACY

A Marxist Interpretation

By Brian S. Roper - Published in 2013

Bird's EyeView

Besides the Introduction, this book is divided into ten chapters. Chapter I talks about the "Origins of democracy in the ancient Greek world"; Chapter II deals with "Democracy suppressed: The Roman Republic and Empire"; Chapter III is titled "The early Middle Ages and the transition from feudalism to capitalism"; Chapter IV talks about "The English Revolution and parliamentary democracy"; Chapter V discusses about :The American Revolution and constitutional redefinition of democracy"; Chapter VI deals with " The Revolutionary revival of democracy in France"; Chapter VII is titled "The Revolution of 1848-1849"; Chapter IX explains "Capitalist expansion, globalization and democratization"; Chapter X talks about "The Marxist critique and representative democracy"; Chapter X, the last chapter, deals with "Precursors of socialist participatory democracy: the Paris Commune 1871 and Russian Revolution of 1905 and 1917".

In the Introduction, the writer establishes that three distinctive and important forms of democracy have emerged during the course of its history – Athenian, liberal representative, and socialist participatory democracy. Most liberal political theorists will have trouble accepting this because they assume that representative democracy is the only genuine form of democracy, often in conjunction with the equally disputable assumption that there are no important intellectual and

political differences between classical Marxism and Stalinism. In contrast, a much healthier starting point for considering the past, present and future of democracy is recognizing that liberal representative democracy is not the only form of democracy that has existed in the past and they may be created in the future.

The writer further says that the social forces that have most consistently fought for, and defended democracy, are the 'poor and middling folks' in various societies: peasant citizens in the Athenian city-states; the middle classes, urban petite-bourgeoisie, poorer members of the clergy, wage labourers and sections of the peasantry in France during the 1790s; workers and peasants in Russia during the first two decades of the twentieth century; workers, students, farmers and members of the middle classes in the advanced capitalist societies during the twentieth century.

The liberal democratic governance of most advanced capitalist societies cannot be viewed, in the context of the broad sweep of human history and in the wake of two world wars, as anything other than unstable and fragile.

Finally, exploring the history of democracy helps to identify, imagine and clarify potential democratic alternatives to a world dominated by neoliberal capitalism and the United States. In writer's view, socialist participatory democracy constitutes a possible, feasible and desirable alternative to capitalism and representative democracy. The writer hopes that this history of democracy will highlight the extent to which it incorporates elements of Athenian and representative democracy, while transcending them in order to facilitate, arguably for the first time in history, the direct participation of the majority of citizens in the governance of society.

The writer says that the point of this research is not, however, merely to describe these concrete forms but to use the process of abstraction to identify the underlying structural mechanisms and resulting class struggles that generate and shape them. If the critical realist interpretation of Marx's method is correct, this necessitates a conception of ontological depth in which reality is stratified and differentiated.

As this interpretation of Marx's method implies, there are very few convincing generalizations that can be made about 'the state' at the level of abstraction of the materialist conception of history. Within classical

Marxism, one of the more significant attempts to do so is Engels's *Origins of the Family, Private Property and the State*, in which he argues that: the state arose from the need to hold class antagonisms in check, but because it arose in the midst of the conflict of these classes, it is, as a rule, the state of the most powerful, economically dominant class, which, through the medium of the state, becomes also the politically dominant class, and thus acquires new means of holding down and exploiting the oppressed class.

In Marx and Engels's general theory of history, the State is, as Miliband puts it, 'an essential means of class domination' (1977; 67). It is therefore, fundamentally inconsistent with Marx's method to suggest that the relative autonomy of any particular State can be identified independently of a systematic historically specific analysis of that state and the mode of production in which it is embedded.

The relevance of this to investigating the history of democracy is clear: precisely how 'the specific economic form, in which unpaid surplus-labour is pumped out of direct producers', and which generates recurrent struggles between classes, 'determines the relationship of rulers and ruled', is something that can only ever be ascertained by remaining 'constantly on the real ground of history'. In so far as any state form may be considered 'democratic' it exists within a totality in which the state 'reacts upon [the specific economic form] as a determining element.

The writer further says that in order accurately to identify accurately what is genuinely unique in capitalism and representative democracy, it is necessary to recognize the unique qualities of pre-capitalist societies and the fundamental differences between these societies and capitalism. A failure to do this results in flawed and misleading conceptual interpretation of both capitalist and pre-capitalist societies. So, for example, the liberal conceptual separation of the 'economic' and 'political' spheres, 'while it reflects a reality specific to capitalism, not only fails to comprehend the very different realities of pre- or non-capitalist societies but also disguises the new forms of power and domination created by capitalism' (Wood, 1995: 11). In opposition to the 'theological tendency to see capitalism in all its historical predecessors', Wood develops a sophisticated interpretation of the history of democracy in which systematic comparisons are drawn between Athenian democracy, the Roman Republic, feudal absolutism and representative democracy

(1995: 14). These comparisons enable Wood to identify the specific characteristics of representative democracy, and subject this particular form of democracy to a persuasive and powerful critique.

Marx's (1967b: 791) theorem that understanding the underlying process of exploitation 'in which unpaid surplus-labour is pumped out of direct producers' is the key to understanding 'the relationship of rulers and ruled' in a particular society combines a trans-historical definition of exploitation as the appropriation of surplus product by a non-producing class from a producing class, with a powerful methodological injunction to engage in historically specific analysis of particular social forms of exploitation. This is exemplified by Marx's own critical analysis of capitalist exploitation in Volume One of Capital, and Ste Croix's (1981) unsurpassed analysis of the forms of exploitation in the ancient Greek world.

Whether or not, and if so how and why, the relationship between rulers and ruled is ultimately determined by an underlying process of exploitation can only be ascertained through theoretically informed historically grounded analysis of the specific totality within which a particular democratic state form is situated. This facilitates and guides detailed historical research which focuses, among other things, upon the level of development of the forces of production, the relations of production, process of surplus extraction, formation and structural differentiation of social classes and class fractions, class consciousness, the 'political forms of class struggle and its results, such as constitutions established by the victorious class after a successful battle', judicial forms, ideologies, religion, political parties and the ensemble of institutions and practices constituting any particular state form (Marx and Engels, 1975: 394-395).

The writer says that historical materialism's breadth of historical focus helps to establish that social reality is in a constant state of flux and that all forms of democracy exist only in the fluid movement. With respect to the broad sweep of history this movement involves the rise, persistence and eventual decline of particular democratic state forms; within a given epoch it can involve the progression, stagnation or retrogression of democracy. This change is generated by fundamental contradictions internal to societies understood as historical totalities. Finally, the contradictions within historical totalities that generate change unify opposites. For example, the bourgeoisie and the proletariat exist as

conjoined yet antagonistic classes in which there is contradictory interaction and conflict between them, and this interaction and conflict is characterized by a degree of directionality that can be ascertained through analysis.

The reformist view that capitalism could be changed in an emancipator and egalitarian direction either through, or at least while retaining, liberal representative democracy as the institutional framework for governance rests on a closed view of historical development. But in reality what lies beneath this notion is the much more banal bourgeois assumption that there is no conceivably feasible and desirable future beyond capitalism.

Marx and Engels analysed and highlighted the contradictory nature of capitalist development, in which, among other things, the advancement of human productive powers simultaneously advances human capacities to destroy other people and the natural environment. But they did not live to witness the horror that capitalism would unleash on humankind and the environment during the twentieth century.

Leading figures in classical Marxism, particularly Lenin, Luxemburg and Trotsky, from 1914 to 1917 had to contend with nationalist hysteria, the leaderships of social democratic parties throughout Europe betraying the most basic principles of international socialism, and the ensuing mechanized killing of millions of workers and peasants during the First World War. Although Lenin, Luxemburg and Trotsky shared the view that the fall of capitalism was inevitable, their concrete experiences as revolutionaries led them to reject the idea that the victory of the proletariat was also inevitable.

But this non-teleological conception of historical and revolutionary change stands in tension with another, more optimistic and teleological conception: 'what the bourgeoisie therefore produces, above all, are its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable' (Marx and Engels, 1998: 50).

Those Marxists who endured the rise of fascism and Stalinism, and the Second World War, were confronted with the repeated triumph of barbarism over the kind of socialism envisaged by the classical Marxists.

Capitalism's brief historical existence has been characterized by constant change, rapid development, recurrent crises, class struggle, two world wars, and revolutionary upheavals. In this context the writer

considers that historical materialism remains indispensable to making sense of the past, present and future of democracy. Marx, Engels and the major figures in classical Marxism made what remains a profoundly original contribution to the consideration of democracy in western political thought: a systematic defence not only of the basic principles of direct participatory democracy with a lineage that can be traced back to Athenian democracy, but of the desirability, feasibility and necessity of self-governance by laboring citizens in order to transcend all major forms of exploitation, oppression and alienation. For Marxists, this is not an utopian dream because the internal contradictions of capitalism undermine it from within, not only driving the capitalist system into crisis, but simultaneously creating the collective agency that has the social structural capacity to transform it. In stark contrast to this vision of the possible transcendence of capitalism and representative democracy through the establishment of a radically democratic socialist society, all of the 'great thinkers' in western political philosophy have denied the feasibility and /or desirability of self-governance by the associated producers.

In the end, the writer says that when viewed historically the positive achievements of capitalism and representative democracy are clear, including tremendous development of the forces of production, the extension of citizenship rights and civil liberties to a substantial majority of the adult population, and establishing an elective principle in the selection of representatives. But these have always been encapsulated in the classical Marxist conception of the transcendence of representative democracy. But those who abandon or reject Marxism risk loosing the field of vision that is obtainable only if we retain a sophisticated historical sense of the dynamic and transitive nature of all social and political forms, and a clear conception of the creative powers and potentialities of the associated producers to collectively transform and transcend capitalism and representative democracy in the twenty-first century.

Chapter I: Origins: Democracy in the ancient Greek world

In this chapter, the writer says that democracy was introduced into the Athenian City-State with the reforms of Cleisthenes in 508-7 BC.

He says that Athenian democracy was the most significant, advanced and influential form of democratic governance to emerge in classical

Antiquity. It is of world historic significance, among other things because since its suppression in 322 BC, it has been viewed by intellectuals, political rulers and advocates of participatory democracy as the first full-fledged and sustained system of democracy in history (Ste Croix, 1981: 248; Raaflaub, 2007a: 1-14).

Clearly, in the Athenian democracy citizens faced no major obstacles to significant involvement in public affairs based on social position or wealth (although members of the lowest two classes in Solon's classification were prevented from holding some positions of high public office). The demos held sovereign power: that is, supreme authority to engage in legislative and judicial functions.

Elements of the wealthy propertied class remained implacably hostile to democracy throughout the fifth and fourth centuries, and on several occasions conspired with the rulers of Sparta (the oligarchic city-state that vied with Attica for hegemony over the Greek world) in order to overthrow democracy and replace it with the oligarchic rule of the wealthiest class of Athenian citizens.

In the section titled **Peasant citizens, Class struggle and Democracy** the writer puts forth the argument of Ste Croix (1981) that the struggle for democracy in classical antiquity are best conceptualized as class struggle on the political plane.

In the Class Struggle in the Ancient Greek World, Ste Croix analyses the rise and fall of Athenian democracy in terms of 'the class struggle on the political plane'. He makes four key points which are worth quoting at length:

- In ancient Greek polis the class struggle in the basic economic sense proceeded without cessation in so far as it was between property owners and those whose labour provided them with. This struggle was of course one-sided; it expressed the master's dominance, and its essence was his exploitation of the labour of those who worked for him.
- There were, however, very many Greeks who owned little property and no slaves; the majority of these were peasants, artisans and traders.
- It is important to recognize the 'the Greek habitually expected an oligarchy to rule in the interests of the propertied class, a democracy mainly in the interest of the poorer citizens. Control of the state, therefore, was on great prize, of class struggle on the political plane' (Ste Croix, 1981:286).

- Class struggle on the political plane, was above all in most cases, for control of the state.
- When the propertied class were able to set up an oligarchy, with a franchise dependent on a property qualification, the mass of poor citizens would be deprived of all constitutional power and would be likely to become subject in an increasing degree of exploitation by the wealthy (Ste Croix, 1981: 286).

The analysis highlights the extent to which the struggle for and against democracy was essentially a class struggle on the political plane. The propertied class preferred oligarchy because it could then use the power of the state to facilitate an increase in the exploitation of the subordinate classes; in contradistinction the subordinate classes preferred democracy for the very opposite reason.

Clearly, by participating in the class struggle on the political plane, laboring citizens could win important victories. Thus the political influence of the wealthy was substantially limited by the reforms during the second half of the fifth century that introduced payment for jury service, membership of the Boule, attendance at the Assembly and the performance of other public duties, because this payment enabled even the poorest citizens to participate.

The writer, concludes that as Held (2006: 13) observes, 'The development of democracy in Athens has been a central source of inspiration for modern political thought. Its political ideals – equality among citizens, liberty, respect for the law and justice – have influenced political thinking in the West.' All major contemporary interpretations of democracy rest on positive or negative evaluation of key features of the Athenian model of democracy.

The writer further says that the Athenian and contemporary representative forms of democracy are clearly both characterized by major weaknesses and limitations. A key difference of vital importance lies in the status of the laboring citizen in the two forms of democracy. Here full significance of the earlier model of democracy stands out in stark contrast, for it is only in this model of democracy that the laboring citizens exert genuine influence over the governance of society. Marx promoted a radical model of democracy that built upon, and extended, key elements of Athenian democracy, in opposition to the diminution of these in liberal forms of democracy.

Chapter II: Democracy suppressed: The Roman republic and empire

In this chapter, writer says that it is not possible to provide a general historical account of the Roman republic and empire in the space of single chapter. After tracing the territorial expansion of Roman civilization and identifying the central features of the economic and social structure of Roman society, he describes the central constitutional and institutional features of the republic. The writer argues that although there were democratic elements in the constitutional and institutional arrangements of the republic, overall it was characterized by essentially oligarchic governance in which democracy appeared in form but not in substance, and once the republic collapsed the limited democratic elements in Roman politics diminished following the establishment of the principate under Auguatus, the first Roman emperor.

He further says that the prolonged crisis of the republic culminated in the autocratic rule of Julius Caesar, which was significant both because his astute skill as a military strategist facilitated the dramatic expansion of the empire, and because of the role that his rise to power played in the final destruction of the republic. Rome defeated its rivals and established supremacy over the bulk of the Intalian peninsula, with tremendous resources and territory. Rome was almost continuously at war for nearly a thousand years. It generally prevailed even in those wars, such as the Second Punic War, where it suffered major defeats and had to absorb huge losses. It was able to do so not simply or even primarily because of military superiority, rather, it was the Roman economic and social structure, the specific qualities of its ruling class and character of its state, that enabled Rome so successfully to obtain and retain territory, and built what 'eventually became a true territorial empire'. The writer points out that in the topic titled 'The economic and social structure of Roman Society' Brunt (1971a: 20) observes that 'Economic activity in antiquity was overwhelmingly agrarian, and every district aimed at self-sufficiency. Trade was circumscribed outside a narrow radius to the exchange of luxury or semi-luxury goods or to such essential commodities as iron or salt, which was not found within that radius'. As territory under Roman control expanded, an extensive network of roads, navigable rivers and sea routes was developed, although waterborne transportation remained cheaper than land,

with the latter being used primarily for military purposes. The network provided the material infrastructure for the empire to function as an integrated monetary economy.

The writer further says that the land was by far the most important form of wealth because land ownership afforded high social status and provided the income flow required for an affluent lifestyle and a successful political career. Accumulation was wealth was highly valued because the culture of Roman ruling class centrally involved high levels of conspicuous spending and 'opulent conservatism' (Anderson, 1974a: 70). Wealth of all kinds were codified and protected by the Roman legal system.

The class structure and highly stratified organization of the military were closely interconnected and mutually reinforcing. The main classes of Roman society, throughout the history of both the republic and the empire, were the land owning nobility, peasants, proletarians and slaves. This land-owning nobility that dominated Roman society economically, politically and militarily was remarkably adept at ruling and successfully achieved a high degree of continuity in its political dominance of Roman society.

Slavery played a central role in Roman society. Slavery provided the economic underpinning for the territorial expansion of the empire from the beginning of the first Punic War in 264 BC.

The Roman republic was not a democracy as such. The wealthy nobility completely dominated the political system. The domination did not rest on one feature of the constitution and system of government, but arose because of a broad range of mutually reinforcing social, economic, military, religious and political factors. In essence Roman civilization was ruled by a patrician-plebeian nobility, encompassing those who derived the bulk of their wealth from the exploitation of slave labour on large agricultural estates and the equities who derived their wealth from commerce and tax collection in the provinces, throughout its history.

Roman government was government of the rich, for the rich and by the rich.

Although the decline and fall of the Roman empire is not part of the history of democracy as such because the democratic elements of the Roman constitution were gradually but eventually comprehensively extinguished during the principate and dominate epochs, nonetheless

it forms an important part of the historical backdrop to the emergence of feudalism and the transition from feudalism to capitalism.

The centuries of Roman rule and the increasing reliance of Rome on mercenaries and barbarian peoples forced to serve in Rome's legions had 'spillover' effects on the barbarian peoples to the north and near east: they became better organized militarily, more centralized politically and more prosperous economically. At the same time the increasing taxation of the peasantry undermined their commitment to resisting barbarian invasion and led to an intensification of a variety of forms of class struggle such as banditry, peasant revolt and mutinies.

The writer points out that in the topic titled 'The economic and social structure of Roman Society' Brunt (1971a: 20) observes that 'Economic activity in antiquity was overwhelmingly agrarian, and every district aimed at self-sufficiency. Trade was circumscribed outside a narrow radius to the exchange of luxury or semi-luxury goods or to such essential commodities as iron or salt, which was not found within that radius'. As territory under Roman control expanded, an extensive network of roads, navigable rivers and sea routes was developed, although waterborne transportation remained cheaper than land, with the latter being used primarily for military purposes. The network provided the material infrastructure for the empire to function as an integrated monetary economy.

The writer further says that the land was by far the most important form of wealth because land ownership afforded high social status and provided the income flow required for an affluent lifestyle and a successful political career. Accumulation was wealth was highly valued because the culture of Roman ruling class centrally involved high levels of conspicuous spending and 'opulent conservatism' (Anderson, 1974a: 70). Wealth of all kinds were codified and protected by the Roman legal system.

The class structure and highly stratified organization of the military were closely interconnected and mutually reinforcing. The main classes of Roman society, throughout the history of both the republic and the empire, were the land owning nobility, peasants, proletarians and slaves. This land-owning nobility that dominated Roman society economically, politically and militarily was remarkably adept at ruling and successfully achieved a high degree of continuity in its political dominance of Roman society.

'What distinguished Rome was neither economic inequality nor exploitation but the enormity in the scale of both' (Brunt, 1971a: 40). The Roman landowning nobility, as the writer has seen, excelled at ruling in its own interests. The members of this class were motivated by greed and a desire for power and glory. They were always prepared to use brutality in ruthlessly exploiting slaves and peasants, who always constituted a large majority of the population. Although neither the peasantry nor slaves were capable of generating the kind of collective organization and political leadership necessary in order to transform Roman society in a revolutionary manner, they were able to resist the exploitation and political dominance of the nobility. The resulting class struggle took a variety of forms: banditry, piracy, urban riots, slave revolts, civil wars, political crises and religious schism (Mann, 1986: 263). Class struggle in these forms became particularly intense during the period of the late republic, from 133 BC to 27 BC.

The writer then says that the depiction of the Roman constitution by Polybius, a Greek historian, as involving a mixture of elements of monarchy (the powers of the two consuls), oligarchy (the dominant influence of the Senate) and democracy (the roles of the voting assemblies in passing laws and electing magistrate) is better at highlighting the constitutional complexity of Roman politics and government than the operation of its central features in practice.

Rome, of course, was never a democracy or anything like it. There were certainly some democratic elements in the Roman constitution, but the oligarchic elements were in practice much stronger, and the overall character of the constitution was strongly oligarchical'. Similarly, Ward and colleagues say that the Republic was controlled by a powerful oligarchy. It was made up of those wealthy landowners from patrician gents who had held the office of consul and constituted a consular nobility within the Senate, whose lower-ranking members were also wealthy patrician and plebeian landowners from the highest census class.

The view has been challenged. Millar argues in the late Roman Republic: public office could be gained only by direct election in which all (adult male) citizens, including freed slaves, had the right to vote, and all legislation was by definition the subject of direct popular voting. That being so, it is difficult to see why the Roman Republic should not be considered as one of a relatively small group of historical examples of

political systems that might deserve the label 'democracy'. (Millar, 1998: 11; also 1998: 197-226)

It is now generally accepted by those on both sides of the debate that patronage played a smaller role than previously thought in securing the votes of citizens from classes the nobility and equestrians. The apparently democratic features of the Roman system of government pertain, above all, to the participation of citizens in public meetings and voting assemblies, regular election of all magistrates for annual terms of office, and the fact that the tribal assemblies passed laws that were binding on the entire Roman people. It is easy to see this as a form of direct democracy in practice, in which the 'Roman people' plays a central role in determining the composition of government and the passage of laws.

The main problem with the emphasis on the democratic elements of the Roman constitution is that it completely failed to distinguish between 'the ideal of popular political institutions and their practical functioning.'

The writer also says that the Senate being composed of ex-magistrates who held their positions there for life, with great collective experience in the accumulation of wealth, the legal system, public administration, religious affairs, military command and foreign policy, was immensely powerful despite the fact that its constitutional role was limited to issuing decrees rather than passing laws. It effectively managed the state's finances, the conduct of war and the formation of military policy, managed the governance of the provinces, took responsibility for law and order issues throughout Italy, determined much religious decision making and practice, and was responsible for Rome's foreign policy. Finally, although its formal constitutional role was limited, it was prepared to disregard its limits if it considered it necessary. Defending the senate *consultum ultimum*, Cicero emphasized that the moral authority of the Senate derived from its ruling class composition: 'When the Senate, the equites and the boni acted in unison, any established convention could be over-ruled' (Mouritsen, 2001: 148).

In short, the Roman republic was not a democracy as such. The wealthy nobility completely dominated the political system. This domination did not rest on one feature of the constitution and system of government, but arose because of broad range of mutually reinforcing social, economic, military, religious and political factors. 'While there was no

formal exclusion of the lower classes, the logic of the system naturally favoured people with time, resources, interest and a certain level of integration into the world of politics' (Mouritsen, 2001: 130). Above all else, the domination of public meetings and the voting assemblies by the magistrates, and the heavily skewed participation of citizens from different social classes, mark the Roman republic as a political system ruled by the few rather than by many.

The writer finally says that rise and decline of Roman civilization was of world historic significance. It survived for nearly a thousand years in the west, much longer in the east, dominated a large part of the world for over 600 years, and left a historical legacy that profoundly influenced the subsequent course of European history. It is important to recognize that republican Rome exerted far greater influence than democratic Athens over the revolutionaries who overthrew the rule of absolutist monarchies and established representative democracy during the 18th and 19th centuries.

As Wood (1995:225) observes, the American redefinition of democracy that culminated in the US Constitution of 1789 has a historical ancestry much more firmly rooted in SPQR (The Senate and people of Rome) than in the participatory model of democracy created in Athens. In view of this, there are some striking similarities between aspects of the constitutional arrangements of the Roman republic and the US Constitution, such as developing forms of citizenship that were much more extensive and inclusive than in the Athenian democracy, but much more limited in terms of the actual capacities that citizenship conferred on the majority of people to exert effective influence over the judiciary and all levels of government. Therefore the Roman republic and the long-term historical trajectory of Roman civilization are an important part of the historical backdrop to the historical revival of democracy in the English, French and American revolutions.

Chapter III: The early middle ages and the transition from feudalism to capitalism

The writer says that this chapter provides a condensed overview of the early Middle Ages and the emergence of feudalism in Europe, emphasizing the scale of the social, economic and demographic decline from 476 to 800 as well as the prevailing social forms of agricultural

production that were central to the emergence of feudalism from the ninth century onwards. By the thirteenth century feudalism had, as Anderson puts it, 'produced and unified and developed civilization that registered a tremendous advance on the rudimentary, patchwork communities of the Dark Ages'. The substantial population growth from the tenth to the thirteenth centuries, including the re-emergence of large towns, and the increasing weight of military, state and religious requirements, placed feudal agricultural production under mounting pressure. A generalized crisis of feudalism ensued, with famine becoming widespread during the early decades of the fourteenth century, followed by the Black Death that swept across Europe recurrently from the first outbreak of the bubonic and pneumonic plague in 1347 – 49 to the mid-fifteenth century.

The prolonged crisis ultimately had different outcome in Eastern Europe, France and England (Brenner, 1985, 1990, 2007). In Eastern Europe the outcome was intensified exploitation of serfs and peasants by noble landlords. In France it involved the growth of an absolutist tax-gathering and office-providing state, and in England it gave rise to capitalist relations of production in the countryside between noble landlords, capitalist tenant farmers and agricultural wage-labourers.

The writer further says that based on a survey of the available archaeological evidence, Ward-Perkins (2005: 126) concludes that 'by AD 700 there was one area of the former Roman world that had not experienced overwhelming economic decline – the provinces of the Levant and neighbouring Egypt, conquered by the Arabs in the 630s and 640s'.

Under the topic titled '**The central features of feudalism**', the writer points out that by the end of the eleventh century AD feudalism had become dominant throughout Western Europe. Consequently the parameters of politics changed (Wickham, 2009: 563). In particular: the old public rights now taken over by local lords were seen as part of their property, and could be divided between heirs or alienated away. Lordship could be claimed by people who had never met a king; the title of the count could be assumed in some areas by anyone who was powerful enough, and passed on to his heirs.

In settings where over 90 per cent of the population worked and lived in the countryside, towns generally being small, few and far between,

political, judicial and military power was exercised at a predominately local level while the real power of the Monarch rested on the maintenance of a complex network of hierarchical vassalage relationships.

Consequently in all feudal societies, there were forces pushing the polity in the direction of internal fragmentation, intra-ruling-class tension and conflict, and aristocratic contestation of the monarchy itself, and forces propelling the polity in the opposite direction, such as the aristocratic need for political and military unity to ward off invasion by foreigners and to suppress peasant revolts too powerful to be overcome at the local level.

Although during the ninth and tenth centuries in all regions aristocrats continued to make some use of slave labours, and in some regions a substantial number of peasants managed to hold on to their land, the dominant historical trend was towards 'the caging of the peasantry': more and more, the huge peasant majority of the population of Western Europe became divided up into localized units, controlled more and more by local lords'.

The peasants who occupied and tilled the land were not its owners. Agrarian property was privately controlled by a class of feudal lords, who extracted a surplus from the peasants by politico-legal relations of compulsion. This extra-economic coercion, taking the form of labour services, rents in kind or customary dues owed to the individual lord by the peasant, was exercised both on the manorial demesne attached directly to the person of the lord, and on the strip tenancies cultivated by the peasant. Its necessary result was a juridical amalgamation of economic exploitation with political authority. (Anderson, 1974a: 147)

Peasants produced their own means of subsistence on the small strips of land that the lord allowed them to cultivate, often paying rent in kind out of whatever surplus they might produce, while if they were serfs then services to the lord.

The writer further says that the most common forms of class struggle in feudal society arose from the basic division of property relations. On the one side, the nobility sought to increase dues in kind, labour services, and to generate additional revenue through other imposts (such as fines and levies), on the other hand, serfs and peasants resisted this and pushed for lower rent, free-holding rights, enhanced village autonomy with common rights to shared land, and greater freedom of mobility.

Although all feudal societies were predominantly rural, towns played an important role even in early feudalism, and from the mid-fifteenth century onwards the towns became larger and their economic, political, religious and intellectual functions became increasingly significant. Towns played a crucial role in development of the forces of production, and also in providing an escape route for serfs and support for the peasant struggles with the aristocracy in the surrounding countryside.

Feudalism in Western Europe grew substantially, economically, demographically and territorially, from the beginning of the eleventh to the mid-fourteenth century (Anderson, 1974a: 182). There was an impetus to growth amongst both the aristocracy and the peasantry, but it was weak compared with capitalist market economies because the primary social forms of surplus extraction (serfdom and tenancy) in feudalism gave rise to struggles over the appropriation of the current surplus product which tended to undermine attempts to increase its future magnitude.

The absolutist state in France emerged from the crisis and class struggles of the fourteenth and fifteenth centuries. It was developed as a response by the monarchy and sections of the ruling class to the peasants' gains that were significant at the beginning of the fifteenth century; in many areas of France, village communities had won corporative status and the right to enforce their claims to common lands. In addition, individual peasants had won heritability rights over their tenures. In short, for the peasantry as a whole this was a period of significant prosperity and economic advance. (Mooers, 1991: 47)

In contrast, the aristocracy found itself in a seriously weakened state of 'disarray, shaken in its fortunes and mentally ill-prepared for the effort of adapting to an unprecedented situation. The lords were slowly being impoverished'.(Bloch, quoted by Mooers, 1991: 47).

As the bourgeoisie emerged as a capitalist class, its most wealthy members actively sought a share of the surplus produced by the peasantry. They did so by purchasing land and state offices while also seeking ennoblement – a trend aptly dubbed 'feudalization of the bourgeoisie' (Mooers.1991: 57).

Explaining the emergence of capitalism in England, the writer quotes Brenner: 'Capitalism developed in England from the end of the medieval period by means of the self-transformation of the landed classes. As a

result, the rise of capitalism took place within the shell of landlord property and thus, in the long run, not in contradiction with and to the detriment of, but rather to the benefit of the landed aristocracy'

Brenner provides an illuminating analysis of the political and ideological ramifications of the changing form of surplus extraction that was central to the transition from feudalism to capitalism:

What the transition from feudalism to capitalism on the land thus amounted to was the transformation of the dominant class from one whose members depended economically on their juridical powers and their direct exercise of force over and against a peasantry that possessed its means of subsistence, into a dominant class whose members, having ceded direct access to the means of coercion, depended economically merely on their absolute ownership of landed property and contractual relations with free, market-dependent commercial tenants (who increasingly hired wage workers), defended by a state that had come to monopolize force. (Brenner, 2003a: s650)

Feudal lords successfully transformed themselves into capitalist landlords, collecting commercial rents from tenant farmers producing for the market.

English lords succeeded in cutting short peasants' push to win not just their freedom, but fixed payments and rights of inheritance to their land. They thereby at once established their property rights in the land and, by separating their tenants from their full means of subsistence, rendered them dependent upon the market.

The key point is that both 'the poorer classes' and the 'middling sort of people' played major, and at times decisive, roles in the English Revolution, and Brenner's conceptual framework seems to veer in the direction of neglecting this.

The writer also says that feudalism centrally involves forms of surplus extraction that necessitate extra-economic coercion of a politico-military nature. It thereby entails an even more vigorous suppression of democracy than that which prevailed in the Roman Empire. The only partial, but nonetheless important, exception was the cities that became increasingly independent throughout the feudal era (particularly those in northern Italy). In short, feudalism is inherently undemocratic.

Finally, the central theme of the analysis of the historical revival of

democracy in the next three chapters is that democracy emerged concurrently with the emergence of capitalism in Western Europe and North America from the seventeenth to eighteenth centuries. **It is no grand coincidence of history that capitalism and representative democracy emerged concurrently. In essence, the emergence of both involved two interrelated and mutually reinforcing development within complex and contradictory processes of historical change. The decline of feudalism and emergence of capitalism created social and economic conditions conducive to the emergence of representative democracy, and once established, this state form facilitated the further development of capitalism.**

There was nothing inevitable about this process because emergence of capitalism could also be associated with and facilitated by authoritarian political regimes, as in Germany, Russia and Japan during the nineteenth century. But wherever it emerged, capitalism created necessary, if not sufficient, conditions for the emergence of representative democracy. It did so by supplanting feudal relationships between serfs and/or peasants on one side, and noble landlords, church and state on the other, in which the appropriation of the agricultural surplus product of the former by the latter depended crucially 'on a superior coercive power, in the form of juridical, political and military status' (Wood, 1995: 209).

In place of the widely varying but generally coercive class relationships that characterized feudalism, capitalism gave rise to relationships in which the majority of the adult population, increasingly losing direct access to the means of production, would eventually become subject to a socio-economic compulsion to sell their capacity to work for a specific period of time to an employer for a wage or similar form of payment. Labour-power emerged as a commodity that could be bought and sold on so-called 'labour-markets'. This was revolutionary development because it removed the sticky web of relationships (social, economic, religious, political and military) that effectively ensnared the bulk of the population in oppressive ties of subjection to the authority of lords, church and state, and made possible the eventual bestowal of democratic citizenship rights upon the legal owners of labour-power who worked as 'employees' for 'employers'.

Furthermore, even though the elected assemblies that emerged during the course of the English, French and American revolutions

were overwhelmingly dominated by wealthy property-owning men, it was widely assumed by these men and their followers that they were best placed to act as the representatives of those less fortunate than themselves. More importantly, even though these revolutions did not immediately create fully developed liberal representative democracies but rather democratized the relationship of socio-economically dominant classes to the state, they simultaneously created constitutional principles and forms of political representation that would become the focus of the struggles of workers and/or peasants for a much more extensive democratization of the state in the more advanced capitalist societies. It was the demolition of feudalism by capitalism from sixteenth to the nineteenth centuries that made the democratization of these states historically possible.

Chapter IV: The English Revolution and parliamentary democracy

In this chapter the writer says that representative democracy was not established through a prolonged process of peaceful reform but rather by revolutionary means. A series of revolutionary upheavals, economic and political crises, wars and civil wars, from the first Dutch revolt in 1565 to the end of the American Civil War in 1865, transformed previously existing states and established representative democracy. Three revolutions – the English (1640-1689), American (1776-1790) and French (1789-1795) – played world-historic roles in reviving democratic forms of governance from the seventeenth century onwards and have been the most influential intellectually and politically. Accordingly, this chapter focuses on the English Revolution from 1640 to 1689.

The writer further says that the English revolution was not a revolution for democracy, as the writer understands that term today, even in the limited liberal sense of the rule of the majority of citizens within the constitutional and institutional framework of representative democracy. As understood by the supporters of Parliament, they fought for 'religion, liberty and property' against the catholic sympathies, absolutist aspirations and corrupt fiscal practices of Charles I. Even the Levellers were not advocating social and economic equality or the abolition of property. In so far as parliamentary government was democratic and ensured liberty, it was a democracy of, by and for property owners, who

by virtue of this ownership had a 'permanent interest' in the affairs of the kingdom, and it was their liberties and property rights that it helped to entrenched. After the revolutionary period from 1640 to 1690 was over, Parliament maintained a dominant protestant state religion that legitimated a highly unequal society, and a system of government that excluded a higher proportion of the population from participation in elections and public office than the systems of government created by the French and American revolutions.

In what sense then did the English Revolution nonetheless contribute historically to the revival of democracy? The revolution was decisive in defeating the aspirations of the English monarchy to create an absolutist state broadly modeled on those of continental Europe. It also established key features of representative democracy operating within the confines of a constitutional monarchy. These including the limitations on the powers of the monarchy established by the Bill of Rights (1689), the Triennial Act (1694) and the Act of Settlement (1701). Although leaving the Monarch with considerable powers, these Acts ensured that the monarch would remain dependent on Parliament for taxation revenue; 'standing armies in peacetime had to be approved by Parliament'; laws passed by Parliament could not be suspended by the Monarch; freedom of speech within the Parliament was protected; the independence of the judiciary enhanced by 'making permanent the tenure of offices'; and right of free Englishmen to petition Parliament and the king without fear of retribution was established (Coward, 2003: 451).

The revolution hastened the demise of the elements of feudalism that were still in existence when it broke out in 1640. In doing so it contributed to the emergence of social and economic conditions that were more conducive to the extension of the citizenship rights that are constitutive of representative democracy to a much larger proportion of the population than was enfranchised in 1640.

Even though the elective principle was limited to a small percentage of the adult population (wealthy property-owning men), the revolution had a lasting impact on the consciousness of 'the middling sort' and those less well off whose descendants in subsequent generations would eventually press for the extension of the franchise.

Finally, the writer states that the English Revolution was a bourgeois

revolution because, like all other bourgeois revolutions, it was a decisive moment in the dialectical process of the long-term historical transformation of societies from feudalism and the rule of absolutist monarchies to capitalism and the prevalence of representative democracy as the dominant state form in advanced capitalism. In this respect, the revolution's course was shaped by the continuing presence of what the society had once been as well as by elements of what it was to become. The English Revolution was in large part caused by the prior development of capitalism, within the British Isles, on the European continent, in the North American colonies, and eventually throughout much of the British Empire.

Chapter V: The American Revolution and constitutional redefinition of democracy

The writer points out that this chapter has three key objectives. First, it provides a condensed historical account of the revolution, it analyses the central focusing on the period from the early 1760s to 1791. Second, it analyses the central features of the historically unique form of democracy created by the US Constitution. Third, it describes the key respects in which the civil war was not just a civil war but also a bourgeois revolution which completed the constitutional redefinition of democracy from 1787 to 1791 by eliminating slavery.

In this chapter the writer talks about the representative democracy only.

Under the topic titled '**The historical novelty of representative democracy**', the writer says that representative democracy, as developed by the Founding Fathers, is a historically unique form of democracy which ostensibly embodies but actually curtails the rule of the majority of the people. The writer here refers to what Wood said about this: Wood (1995: 214-15) argued that 'representative democracy', an idea with no historical precedent in the ancient world, is essentially an American innovation. Since it is the United States that has given the modern world its dominant definition of democracy, a definition in which the dilution of popular power is an essential ingredient, it is worth clarifying the respects in which this particular form of democracy is historically unique. The Federalists, developing the Constitution in the context of the American Revolution, faced the historically unprecedented task of preserving what they could the division between the mass of 'poor and

'middling folk' and the wealthy Patriot elite, with the latter dominating the former, in the context of an armed citizenry that was becoming increasingly politically active and rebellious. In a revolutionary context where it was no longer possible to maintain an exclusive citizen body, the framers of the Constitution embarked on the first experiment in designing a set of political institutions that would both embody and at the same time curtail popular power. Where the option of an active but exclusive citizenry (classical republicanism, Athenian democracy) was unavailable, it became necessary to create an inclusive but passive citizen body with limited powers (1995: 218-19).

The writer also says that Hamilton argued that there were three key classes, or interests, American society – the commercial, the landed and the learned professions. As the merchant is the natural representative of the mechanics and the manufacturers, so the large landholder is the natural representative of the small landholders; and the men of the learned professions, lawyers especially, will have the confidence of all parts of society (Dry, 2000: 486).

In response to Anti-Federalist arguments that members of the 'middling class' are best placed to represent those of society as a whole, because 'the interests of both the rich and poor are involved in that of the middling class', Hamilton argued that 'as riches increase and accumulate in few hands... virtue will be considered as only a graceful appendage of wealth' vices are probably more favourable to the prosperity of the state than those of the indigent, and partake less of moral depravity' (Melancton Smith and Hamilton, quoted in Dry, 2000: 486-71).

The writer further says that the American Revolution, and the Civil War that followed 70 years later, constituted bourgeois revolution because they created a democratic state form that facilitated the emergence of the United States as world's dominant capitalist power. The political leadership involved in both the revolution and the civil war were predominantly composed of capitalists (merchants, financiers, industrialists) and wealthy slave plantation owners. The mass of 'poor and middling folks', composed of farmers, wage labourers, and the self-employed and small employers, also played central roles in the revolution and civil war, not least doing the bulk of the actual fighting and dying, and also pushing ruling-class political elites to concede much more than they wanted to with respect to popular participation in various aspects of American politics. But this mass radicalization was,

for the most part, neither anti-capitalist nor radically democratic. Rather, it was channeled in directions that helped to entrenched capitalism and representative democracy.

As the United States steadily outgrew the other major capitalist countries, economically, demographically and militarily, representative democracy of the American type emerged as the world's dominant 'model of democracy'. Quite apart from the recurring bloody imperialist adventures of its duplicitous rulers, this is cause for concern because US representative democracy, even in comparison with other liberal representative democracies, let alone in comparison with socialist participatory democracy, is a highly limited and restrictive form of democracy which minimizes effective popular influence over government at both federal and state levels. In short, it is a form of democracy that has, for more than two centuries, been highly conducive to the largely untrammelled, but never entirely uncontested, dominance of capitalist power over the lives of the working-class majority of US citizens.

Chapter VI: The Revolutionary revival of democracy in France

The writer here states that the French Revolution was a bourgeois revolution, not only in the limited sense that it contributed positively to the further development of capitalism in France and Europe, but in the fuller sense that the bourgeois itself played a central and leading role – albeit not as a united entity but rather as an internally socially differentiated and politically factionalized class that was still in the early stage of its historical formation. To a greater extent than either the English or the American revolutions, it was also a genuinely mass revolution, involving the bulk of the population, estimated at around 28 million by the 1790s (Lewis, 1993: 73).

The writer further says that the French Revolution is the bourgeois revolution in which the influence of the collective action of the masses over the unfolding of political events is most pronounced. Although the English Revolution played a pioneering role in the historical revival of democracy, the democratic rights it championed were essentially those of a tiny propertied male elite. The American Revolution was very much led from the above, with the masses playing a variety of

crucial but subordinate roles in the War of Independence, rather than being driven forward by mass disgruntlement and unrest below. The French Revolution was driven forward at pivotal junctures by the rural and urban masses, and proclaimed universal rights of man that remain enshrined in the constitutional arrangements of liberal representative democracies to this day. Furthermore, the liberal ideas that underpinned the revolutionary formation of a republican form of representative democracy in France from 1789 to 1794 had a major international, and eventually global, impact as they were adopted and further developed by the socio-political forces in other nations struggling for democracy.

It is observed by the writer that the French Revolution clearly facilitated the demolition of feudalism, and less clearly and more ambiguously it facilitated the development of capitalism. That it did the former should be clear from the narrative above. The claim that it did the latter is more controversial, because while it is indisputable that the revolution brought fundamental achievements for capitalism, it also established peasant freehold ownership of the land – something that was to act as a major barrier to the kind of agrarian revolution that was central to the emergence of capitalism in England (Mooers, 1991: 70). Nonetheless, the overall impact of the revolution was favourable for accelerated capitalist development in the long run.

The writer further says that the three constitutions of the French Revolution (in 1791, 1793, and 1795) provided a model of liberal democracy that was to be highly influential internationally and historically. The kind of democracy that was established was of a very specific kind. It was essentially a narrowly political (rather than social) form of indirect representative democracy that centrally incorporated specifically bourgeois notions of private property ownership into all of its various constitutional arrangements.

The French Revolution was certainly unique in the extent to which the popular movement that drove it forward, in its more radical phases, utilized more direct forms of democracy. In this respect the French Revolution was more radically democratic than the English and American revolutions.

The empirical foundation of the revisionist critique of Marxist conceptions of bourgeois revolution is weak in this respect. As Lewis observes, in a book that carefully attempts to balance the arguments

of both camps, to deny that the bourgeoisie played a central role in the revolution and that the revolution itself was of great importance in abolishing feudalism and facilitating the development of capitalism 'is to barter historical truth for ideological advantage'.

The writer further says that the French Revolution achieved the definitive abolition of absolutism and feudalism. It created a republican form of government that would remain predominant in French history until the present day. The revolution also established the majoritarian principle as central to representative democracy. The Constitution of 1793 stipulated that government should be elected on the basis of universal male franchise, inspiring popular movements in other countries to push for the extension of the franchise to encompass the bulk of the adult population. In conjunction with the American Revolution, the French Revolution established the constitutional codification of liberal democratic citizenship rights as a central feature of representative democracies. The international impact of the Revolution ensured that liberalism would be the dominant intellectual tradition providing the principal political, economic and ideological justification of capitalism in Western Europe and North America.

Chapter VII: The Revolutions of 1848-49

The writer points out that the revolutions of 1848 took place in the wider historical context of the transition from feudalism to capitalism, uneven development of capitalism across Europe, the rapid growth of industrial capitalism in Britain that provided the economic underpinning for the global expansion of the British Empire, and finally the growing pressure on France and Germany to introduce capitalist relationships in agricultural production and to industrialize in order to be able to compete with Britain's growing economic and military power. It is important to recognize that the persistence of serfdom and feudal relationships in Central and Eastern Europe was a major cause of discontents among serfs and peasants, and was viewed as increasingly anachronistic by the bourgeoisie, state officials and enlightened members of the nobility. In this context maintaining the extraction of surplus product from peasants and workers as feudalism declined and capitalism developed was a major challenge for the landowning nobility and emerging bourgeoisie (Mooers, 1991: 27-40).

The emergence of capitalism involved, not merely the growing prevalence of capitalist arrangements in agriculture, but early industrialization and rapid economic growth, accelerating urbanization and population growth, which created widespread unemployment and social dislocation. This was exacerbated by the serious economic crisis that emerged in Europe from 1845 to 1848.

As Hobsbawm says that after the capitulation of the Hungarians and Venetians in August 1849, the revolution was dead. With the single exception of France, all of the old rulers were restored the power than ever before – in some instances, as in the Hapsburg Empire, to greater power than ever before – and the revolutionaries scattered into exile. Again with the exception of France, virtually all the institutional changes, all the political and social dreams of the spring of 1848, were soon wiped out, and even in France the Republic had only another two and a half years to live.

The writer further says that this interpretation of the 1848 revolutions fails to place sufficient emphasis on the important impact that they had on the subsequent course of European history. First, the most importantly, the 1848 revolution brought about the end of feudal obligations, payments and serfdom throughout those areas of Central and Western Europe where they had still existed immediately prior to 1848. This often resulted in peasants being no better off because the landowning nobles increasingly transformed themselves into agrarian capitalists charging rents to the tenant farmers who worked their land, and/or because the state hiked up the taxes that peasants had to pay in order to compensate the nobility for the loss of its feudal privileges. But, despite this, the abolition of feudal arrangements in the countryside contributed to the rapid spread of agrarian capitalism and the kind of increase in agricultural productivity necessary in order to sustain rapid industrialization and urbanization.

Second, after the revolution of 1848 the monarchs of Western Europe could no longer rule in a traditional absolutist manner, justified by religion as divinely ordained, and assuming the admiration and consent of their subjects. As Hobsbawm acknowledges, 'henceforth the forces of conservatism, privilege and wealth would have to defend themselves in new ways. The defenders of the social order would have to learn the politics of the people' (1975: 38)

Third, the 1848 revolutions have a decisive impact on the future development of socialism in Europe, both as political movement, and with respect to its intellectual development. They were, for example, the only revolution in which Marx and Engels were direct participants (Nimtz, 2000: 57-81). The conservative and ultimately treacherous role played by the liberal bourgeoisie in the German revolution, and the violent suppression of the workers' insurrection in Paris, led Marx and Engels to stress the importance of the independent political organization of the working class. The working class needs its own political party because even though the 'democratic bourgeois' will draw upon the support of workers in its struggle to overthrow absolutism, as soon as they have done so, they 'immediately turn their newly acquired power against the workers' (Marx, 1978: 278). Marx further argued that the proletariat can only prevail over the bourgeoisie if they overthrow the bourgeois republic, take state power, and use this power to establish.: the dictatorship of the proletariat as the necessary transit point to the abolition of class distinctions generally, to the abolition of all the social relations of production on which they rest, to the abolition of all the social relations that corresponds to these relations of production, to the revolutionizing of all the ideas that result from these social relations.

Finally, as Harman (1999: 342) observes: 'the bourgeoisie, looking back in the late 1860s, could reflect that they might have lost the political struggle in 1848, but they won the economic battle'. These revolutions may not have given rise to representative democracies in which sovereign governments were elected by a universal manhood franchise, but they did give rise to constitutional, juridical and political arrangements that were significantly more favourable to the development of capitalism.

Chapter VIII: Capitalist expansion, Globalisation and Democratisation

Roper says that this chapter completes the accounts of the historical emergence of representative democracy by providing an account of the period from the end of the revolutions in which the bourgeoisie played a leading and progressive role, the last being the American Civil War of 1861-65, to the present. Specifically, this chapter focuses on the geographical expansion of capitalism, the extension of the electoral franchise in the advanced capitalist societies, the growing proportion

and number of countries that can be categorized as representative democracies, and the aspects of globalization that are creating significant problems for representative democracy.

The historical emergence and development of capitalism has created social and economic conditions conducive to the emergence consolidation of representative democracy. There is widespread scholarly agreement on this point and equally widespread disagreement concerning why capitalist development has, with important exceptions, been positively correlated with democratization. As established in previous chapters, capitalist development has created social and economic conditions conducive to the emergence of representative democracy because it destroyed feudalism, with its ties of personal obligation and coercive compulsion biding serfs or peasants to landowning nobles, and greatly strengthened the social classes that have most consistently promoted democracy, namely the working class and independent capitalist farmers (Rueschemeyer, Stephens and Stephens, 1992: 6-8; Therborn, 1977: 23-28).

The writer further says that capitalism has sustained a qualitative higher rate of expansion than any previous mode of production in world history. From its geographically small origins in England and the Netherlands during the fifteenth and sixteenth centuries, capitalism had spread to engulf the planet. As early as 1848 Marx and Engels observed:

"The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere. The bourgeoisie through its exploitation of the world market given a cosmopolitan character to production and consumption in every country." (Marx and Engles, 1998: 39)

Capitalism has a historically unprecedented capacity for growth and geographical expansion, as well as, 'space-time compression' (Harvey, 1989: 201-326), because the drive to maximize profits in conditions of market competition propels capitalists continually to invest in technological innovation and the mechanization of as many forms of production, distribution and exchange as possible. It is this, above all else, that has enabled capitalism to colonize the globe.

In this process of rapid geographical expansion, capitalist economic growth, state formation and territorialization, and military power are

closely interconnected.

A brief overview of the global expansion of capitalism necessarily starts with capitalist social and property relations that emerged in the English countryside between lords who had obtained full property in the land, capitalist tenant farmers paying fixed rents, and agricultural wage labourers, because these relations generated a revolutionary advance of agricultural productivity and ensured that England experienced unbroken economic and demographic growth right through the seventeenth and eighteenth centuries, eventually leading to the Industrial Revolution (Brenner, 1990: 184). As a result of the Industrial Revolution, Britain emerged during the nineteenth century as the world's economic powerhouse and dominant military power. This forced the other major powers that were Britain's traditional rivals, such as France, Prussia and the Austrian Empire, to develop capitalist relations of production and industrialization. From the time of American Revolution until the Civil War, the primary basis of economic growth in the United States was the westward expansion of capitalist agriculture, but the north-eastern states industrialized throughout the nineteenth century (Ashworth, 1995: 91). Geographically, capitalism spread from England to encompass the British Isles , while settler colonies in the British Empire (American colonies, Australia, Canada, New Zealand, South Africa), France and Germany, then in the second half of the nineteenth century to Japan and Russia.

The long economic boom from the late 1840 to the early 1870s was propelled, not only by rapid industrialization in Belgium, Britain, France, Germany, Holland and the United States, but also by the dramatic expansion of the material infrastructure for communications (the telegraph) and the transportation of people and commodities. 'The arrival of railways was in itself a revolutionary symbol and achievement, since the forging of the globe into a single interacting economy was in many ways the most far-reaching and certainly the most spectacular aspect of industrialization'(Hobsbawm, 1987:55,70). These developments helped to generate a dramatic growth of world trade (increasing by 260 per cent between 1850 and 1870), international capital flows, and mass migration to colonies around the globe. Hence the boom was fuelled by a tremendous 'lateral expansion of the market for both consumer goods and perhaps above all, the goods required to construct the new industrial plants, transport undertakings, public utilities and cities'

(Hobsbawm, 1987: 48).

The writer says that the economic boom collapsed in the early 1870s, ushering in the 'Great Depression' of 1874 to 1893. Governments responded by abandoning their earlier commitment to laissez-faire and providing protection to domestic industries. In this context, the Great Powers rushed to colonize the globe in order to obtain raw materials, territory and secure markets.

In part due to the stimulus provided by European colonization, a long economic boom took place from the mid-1890 to 1913. The major industrialized capitalist powers: now formed an enormous and rapidly growing, and extending, productive mass at the heart of the world economy. They now included not only the major and minor centres of mid-nineteenth century industrialization, themselves expanding at a rate ranging from the impressive to the almost unimaginable – Britain, Germany, the USA, France, Belgium, Switzerland, the Czech lands – but a new range of industrializing regions: Scandinavia, the Netherlands, northern Italy, Hungary, Russia, even Japan. (Hobsbawm, 1987: 49)

The capitalist system emerged from the First World War in a weakened state. The brief global economic recovery of 1924 – 29 collapsed with the US stock market crash on October 29, 1929 and ensuing collapse of much of the US banking system. This ushered in the deepest and most generalized crisis of the global capitalist economic order in history. Although most governments initially responded to the Depression with 'orthodox' neo-classical policies with an emphasis on balancing government budgets through fiscal austerity and maintaining the soundness of money, as it dragged on they adopted policies that restricted international trade in order to protect their own national industries. Increasingly it became evident that 'those powers, such as Britain and France, which could rely on their colonies for protected markets and raw materials, were able to weather the slump better than those, such as the US and Germany, which lack empires' (Callinicos, 1994: 25). The shift towards economic protectionism was a key manifestation of the dramatic intensification of inter-imperialist rivalry during the 1930s.

By the end of the Second World War, the United States had definitely replaced Britain as the dominant world power, finally translating its vast economic strength into overwhelmingly dominant military power.

US imperialism was imperialism of the new type – ‘less an imposing based on external force than the restructuring of the other advanced economies along lines that mirrored the structure of the dominant capitalism’ (Callinicos, 2002b: 256). As Harvey observes:

“An international framework for trade and economic development was set up through Bretton Woods agreement to stabilize the world’s financial system, accompanied by a whole battery of institutions such as the World Bank, the International Monetary Fund, the International Bank of Settlements in Basle, and the formation of organizations such as GATT (General Agreement on Tariffs and Trade) and the OECD (Organization for Economic Cooperation and Development) designed to coordinate economic growth between the advanced capitalist powers and to bring capitalist-style economic development to the rest of the non-communist world. In this sphere the US was not only dominant but also hegemonic in the sense that its position as a super-imperialist state was based on leadership for propertied classes dominant elites wherever they existed. It actively encouraged the formation and empowerment of such elites and classes throughout the world”.

This form of imperialism encouraged an economically multi-polar world, but also a world that was divided geopolitically between the West, led by the United States, and the East, led by the Soviet Union.

High profit rate underpinned the post-war long boom from 1945 to 1973, characterized by historically high growth rates in all of the advanced capitalist societies, scientific and technological advancement, low unemployment, rising real wages and an improving material standard of living, and capital accumulation organized on the basis of mass production for mass consumption. This was the greatest economic boom in the history of capitalism, and by the mid-1970s it ensured that capitalism had become a fully global system.

The long boom collapsed in the mid-1970s, and the prolonged economic crisis that followed accelerated a series of developments that increased international inter-connectedness, including the growing international integration of capital markets, the internationalization of capital ownership, expansion of international trade, and development of financial circuits largely outside the control of nation-states. The major set of institutional changes that made these developments possible was the breakdown of the Bretton Woods system and the rise

of the dollar Wall Street regime (Gowan, 1999: 19-38). In 1971 the Nixon Administration 'shocked world financial markets by announcing that the dollar was no longer to be freely convertible into gold, effectively signaling the end of fixed exchange rates' (Held et al., 1999: 202). The United States gained control over the US dollar's exchange rate and 'thereby enormous leverage over the other advanced capitalist countries' (Callinicos, 2002b: 259). This leverage was used to promote the global implementation of neo-liberal policies.

The writer further says that Washington and Wall Street were able to manage the greatly increased global flows of private finance to compel other states to adopt neoliberal policies that opened up their economies to foreign capital. The resulting socio-economic restructurings strengthened the domestic constellations of interests aligned to internationally mobile money capital. (Callinicos, 2002b: 259)

In addition to expediting the implementation of neo-liberalism, the collapse of Bretton Woods also led to a dramatic increase in foreign direct investment (FDI).

'Globalization' – that is, qualitative increase in international inter-connectivity – is actually specific in key respects to the period of capitalist development following the collapse of the post-war long boom in the mid-1970s. In this period the world's financial markets have become increasingly deregulated and integrated; the advanced capitalist economies have tended to become less protected and more open to international trade, industrial production has become increasingly internationalized; the material infrastructure for communications and media has facilitated the emergence of virtually instantaneous communications and informational and cultural flows on a global scale; and the influence of supranational bodies such as the International Monetary Fund (IMF), World Bank and World Trade Organization (WTO) on national governments has grown substantially.

In the topic titled '**The key characteristics of Representative Democracy**', the writer says that representative democracy is an exclusively political form of democracy that is constitutionally, institutionally and by convention highly circumscribed and separated from the civil society. Although the majority of citizens cannot directly participate in the political sphere of governance, they can participate indirectly, in particular through interest groups, parties, media and

elections. These are institutional 'transmission mechanisms' through which citizens can exert influence over the process of governance.

This is widely recognized, but it is less commonly recognized that liberal defenders of representative democracy consider that even in its most inclusive form the citizen body is composed of discrete individuals who enjoy juridical equal status, whose interests are conceptualized as expressed policy preferences, and who are not socially organized in distinct and antagonistic social classes. In the liberal tradition, pluralists consider that capitalism creates social and economic conditions that are conducive to the emergence and persistence of representative democracy, in part because advanced capitalist societies are characterized by an extensive differentiation of interests and widespread diffusion of power.

While acknowledging that the influence of the citizenry over government is greater in representative democracies than in authoritarian dictatorships, and constitute a qualitative advance over the coercive exploitation of serfs and peasants by the absolutist state of the late feudal era, Marxists argue that the amount of substantive influence that citizens can exert over government in representative democracies in the normal course of events is limited.

Even in the relatively favourable conditions provided by advanced capitalism, democracy emerged late in human history and was a fragile construction that depended, among other things, on the prevailing balance of power between those class alliances that were either supportive or opposed to it. The extension of democratic citizenship rights to encompass the majority of the adult populations of the advanced capitalist societies, and the growing geographical spread of representative democracy to encompass an increasing proportion of the world's nation states, advanced very slowly until the late nineteenth century but at a faster pace during the second half of the twentieth century, especially after 1973.

Representative democracy emerged later in the less developed countries of the so-called 'third world', being largely concentrated in the period from the mid-1970s to the present, because the working class is proportionately smaller, the peasantry much larger, large landowners with authoritarian political proclivities more socially and politically influential, especially in less industrialized and more agrarian

developing capitalist societies, and finally, the politically dominant fraction of the bourgeoisie in developing countries is typically aligned with one or more of the ruling classes of the more powerful states. One of the most important aspects of this relates to the global imposition on less powerful and economically prosperous countries of the neo-liberal Washington consensus. For this reason democratization is often associated with substantial increases in socio-economic inequality (Ross, 2006). Furthermore, given the strength of anti-democratic class forces in many of these countries, typically aligned with coercive and authoritarian sections of the state apparatus, democratic advance in less developed countries remains fragile.

Democratization has been historically progressive in a number of respects, but it has also been characterized by severe limitations, not least of which is the fact that the shift from an authoritarian to a democratic form of governance is often associated with a substantial increase in socio-economic inequality because of the implementation of neo-liberal policies and the exploitative nature of free market capitalism.

Finally, the writer says that four central points are worth emphasizing. First, capitalism has a historically unprecedented capacity for both intensive and extensive expansion. In condition of market competition, capitalist firms must continually invest in new technologies, typically involving increases in communications, and service provisions, in order to reduce costs, enhance product quality and increase market share. In order to maximize profits, capitalists also need to obtain raw materials at the lowest possible cost and keep waged and non-waged labour costs as low as possible. In a nutshell, capitalism is a system that must continually expand in order to survive and prosper. This expansive dynamic explains why it is that, in contrast to earlier forms of social and economic organization, capitalism has expanded from its small beginnings in sixteenth and seventeenth-century rural England to encompass the globe.

Second, in the relatively advanced capitalist societies, the historical formation of nation-states, the specific institutional configurations of particular states – ranging from undemocratic monarchies to representative democracies – and the extent of state capacity to shape capitalist development, cannot be explained in simplistic terms by reference to the basic requirements of capital accumulation and/or

the instrumental influence of capitalist ruling classes because of the complexity of the processes involved. Nonetheless, there can be little doubt that capitalist nation-states in general, and the major imperialist powers in particular, have tended to act in ways that have maintained the conditions necessary for capitalism to expand domestically and internationally. Furthermore, capitalist ruling classes have only been prepared to countenance the extension of the franchise to encompass a majority of the adult population in situations where this is compatible with the basic requirements of capital accumulation, the reproduction of capitalist relations of production, and extensive capitalist influence over state policy formation and decision making.

Third, this is not, however, to deny the historically progressive nature of capitalism with respect to democratization. Although representative democracy is structured in a manner that prevents the majority of the population from exerting effective influence over government, at least in the normal course of events. Nonetheless, as a form of government it is vastly superior both to the absolutist monarchies of the late feudal and early capitalist eras and to the fascist and Stalinist dictatorships of the twentieth century. The civil liberties and voting rights of workers and farmers in capitalist societies are indeed remarkable when compared with the politico-juridical and coercive domination and exploitation experienced by slaves in classical antiquity or serfs and peasants in feudalism. Capitalist development has made democratization possible by creating social and economic conditions and forces that are conducive to the emergence and persistence of representative democracy, at least in settings characterized among other things by organized and powerful working classes.

Fourth, although it is true that capitalism creates social and economic conditions that are necessary for representative democracy to emerge historically, this form of democracy is a historically possible rather than inevitable outcome of capitalist development. For example, when the system is in deep crisis, as it was in Germany during the 1920s and 1930s, capitalists may shift their weight behind authoritarian movements in order to smash working-class organization, thereby reducing labour costs, boosting profit rates and reviving capital accumulation. Hence from the capitalist viewpoint representative democracy is not necessarily always be the best form of governance of capitalism with respect to its systemic reproduction. For this and other reasons democratization is

a vastly more limited and fragile development than most intellectual apologists for capitalism are prepared to acknowledge.

Chapter IX: The Marxist critique of capitalism and representative democracy

The writer says that the re-emergence of democracy was a development of world-historical significance, as the ruling classes of Europe had effectively suppressed democracy throughout the period from 322 BC to 1640 AD. After two or more centuries of absolutist rule by centralized hereditary monarchies in feudal societies, revolutionary struggles established new state forms that embodied a historically novel form of democracy – liberal representative democracy. This particular form of democracy was revived in the context of social and economic conditions associated with the emergence and growth of capitalism within wider societies that remained largely feudal during seventeenth and eighteenth centuries (with capitalism advancing much more rapidly in England, Holland and the American colonies than in continental Europe). It was further developed throughout the nineteenth and twentieth centuries as the capitalist mode of production throughout the world.

Marx acknowledged that the demise of feudalism and the absolutist state and the emergence of representative democracy constituted a major step forward for humankind (and he was himself involved in German bourgeois revolution of 1848). He celebrated the historical achievements of both capitalism and representative democracy. Nonetheless, Marx argued that this form of specifically bourgeois democracy is extremely limited, with respect to its social and economic foundations in capitalism, and with regard to its specific institutional mechanism.

However, Marx's critique did not focus, in the first instance, on the deficiencies of the institutional mechanisms of liberal representative democracy. His analysis of the limitations of representative democracy is thoroughly grounded in his underlying critique of the capitalist mode of production. This is an extremely important point because, while some liberals (neo-pluralists) and social democrats are prepared to acknowledge elements of the Marxist critique of representative democracy, they still reject the substance of Marx's critique of

capitalism. This should not surprise us for Marx's critique highlights the extent to which modern representative democracy is the best possible political shell for capitalist exploitation. Further, it shows that the democratization of the economic and social spheres is anti-thetical to the continued functioning of capitalist economic systems and the reproduction of capitalist relations of production.

The writer further says that the contradiction between potential plenty, and actual poverty, for the workers who produce the surplus product in capitalist society, has existed for nearly as long as capitalism, but it has never been more marked than at present. A small super-rich minority appropriates a rapidly increasing share of the world's wealth while the workers, peasants and their dependants who actually produce this wealth through increasingly internationally enmeshed networks of production, and who constitute the majority of the world's population, experiencing growing deprivation and poverty (Harman, 2002; 2010: 329-332).

Income and wealth has also become much more unequally distributed within the advanced capitalist societies. As government in the advanced capitalist countries have implemented neo-liberal policies, spending on health, housing, education and welfare has been subject to 'fiscal restraint' and reduced in real terms.

Apologists for capitalism are quite happy to acknowledge its immense capacity to generate a surplus product. The historically unprecedented growth rates of capitalist economies are a common reference point for those who want to argue that capitalism is superior to any conceivable alternative form of economic organization, but they vehemently deny that capitalist production is inherently exploitative. It is a denial that flies in the face of historical reality.

Marx's theory of surplus-value provides a comprehensive and convincing explanation of growing inequality within the advanced capitalist nations and between these nations and the poorer nations. More specifically, the theory of surplus-value explains why capitalism has a historically unprecedented capacity to produce a surplus product over and above the subsistence needs of the workers who produce it.

As capitalism develops historically and spreads geographically it destroys non-capitalist forms of production, drives subsistence producers, such as peasants and indigenous peoples, off their land, and forces them to

become wage labourers. In the British Empire this involved white settler and extractive colonialism, and in the world today it continues in the form of capitalist globalization. This means that far from disappearing on a global scale, the working class is increasing in size in both absolute and relative terms.

The theory of surplus-value enables us to identify a common enemy, which all those subject to exploitation and oppression share in a capitalist – the capitalist class. It demonstrates that the overwhelming majority of people who inhabit advanced capitalist societies have a sufficiently broad range of shares social, economic and political interests to make large-scale collective struggles against the capitalist class and state both possible and necessary. In this respect, it is theoretical critique of capitalism that can be used, by those seeking to improve the lives of working class people, to justify and guide mass protest, militant trade unionism, and the quest for emancipatory social and political change.

For Marx, and the classical Marxists who followed him, trade unions are an essential, and at the same time limited, means of pursuing working-class ends. Workers need to organize collectively in trade unions in order to overcome their vulnerability as individuals and to use their collective power to push for better pay and conditions of employment through strikes and/or protests. Although vitally important, union struggles are inherently limited because they ultimately do no more than ameliorate, rather than fundamentally alert, the terms on which capitalists exploit workers. This suggests that an egalitarian distribution of income and wealth can only be achieved if capitalism is eliminated.

The growth of poverty in the third world is because output and income growth has been much lower than in the advanced capitalist countries. As McNally (2006: 55) astutely observes, globalization centrally involves a 'massive transfer of wealth from poor to rich'.

Marxism explains this global inequality, at the most basic level of analysis, by reference to the central dynamics of capitalist exploitation and accumulation. Hundreds of millions of the world's people go hungry, despite there being enough food to feed them, because food is produced for profit rather than need. The world's agricultural and fishing industries are driven by corporate greed rather than human need. Massive third world debt not only yields a huge net surplus for western financial institutions, it enables the World Bank and the IMF

to force third world governments to shift agricultural production away from food production for the domestic market, towards the production of cash crops for export.

For Marx the historically distinctive characteristics of representative democracy are to be understood and explained primarily, but by no means exclusively, in terms of the constantly changing, and internally contradictory, social and economic relations with which it is thoroughly enmeshed, and which, in turn, the institutional ensemble of the liberal democratic state attempts to govern. More particularly, the theory of surplus-value is central to Marx's critique of the capitalist revival of democracy, because it is capitalist exploitation which generates class inequality, fosters and sustains other related forms of oppression based on gender and ethnicity, creates serious social problems, and is central to economic dynamics which culminate in economic and environmental crises. In these respects, capitalist exploitation creates a social and economic environment that systematically circumscribes democratization from extending beyond a narrowly defined political sphere.

Marx's critique of representative democracy rests, not only on his underlying theory of surplus value, but also on the theory of capitalist crisis that he articulates in the third volume of Capital. This is so because such crises tend to fuel mass class struggles because the ruling class responds to a generalized decline in profitability by becoming more industrially militant and attacking workers directly—seeking to cut wages and conditions, while at the same time boosting labour productivity. In conjunction with these direct attacks, the ruling class also places increased pressure on the state to introduce a gamut of measures aimed at counteracting the tendency at the rate of profit to fall (tax cut for business, fiscal austerity, labour market flexibility and so on). So there can be no question of liberal democratic states acting as 'neutral referees' between the conflicting claims of the contending parties in the class struggle. On balance, these states side with capitalists against workers and the oppressed.

While talking about oppression the writer says that horizontal and vertical gender segregation of the workforces of the advanced capitalist societies means that women are over represented in a narrow range of relatively poorly paid occupations, and within particular occupations tend to be stuck at the bottom of managerial hierarchies (Scott,

Cromptom and Lyonette, 2010). Women's incomes are substantially lower than men's, women possess less wealth, and are more likely to have insecure employment (Banyard, 2010; Power, 2009). Female participation in paid employment continues to be adversely affected by inadequate, or nonexistent, employer and government provision of childcare (Orr, 2010; Scott et al., 2010).

Gender and class relations have been profoundly intertwined throughout history. Gender relations were transformed in the transition from feudalism to capitalism because *inter alia* productive labour became spatially and temporarily separated from re-productive labour, and as part of this process the family-household ceased to be a primary site of both productive labour (as was the case with the peasant household) and productive labour (Seccombe, 1992). In short, work and home became divided.

The nature of women's oppression altered fundamentally with the emergence of capitalism. Brenner (2000) provides the best historical account of this. The social relations governing the process of reproduction established an unequal division of labour between women and men within the family household. Women bear the primary responsibility for the labour necessary to reproduce labour-power as a commodity.

Once established, gender inequality in the closely related spheres of the family-household and paid employment becomes mutually reinforcing because decisions about which partner is to sacrifice their career in order to bring up the children are influenced by the relative income levels of male and female partners. In view of the fact that men are likely to be earning a higher income than their partner, often there is a powerful financial pressure on women who become mothers to either leave paid employment all together, or else move from full-time to part-time employment. Once they do this, women with children become financially dependent on their male partners and often are subject to lack of viable financial alternatives if the relationship starts to become unhealthy.

In sum, the differences in women and men's participation in paid employment are a key determinant of gender income inequality because these differences mean that it is more likely that women will withdraw completely from paid employment, or will shift from full to part-time employment, in order to care for children. Women are also

likely to interrupt their career paths, meaning that they are less likely than their male counterparts to be promoted.

In capitalist society gender is not the only axis of oppression. Ethnicity, sexual orientation, disability, religious belief and age are also the bases for highly significant forms of inequality and oppression.

The writer also talks about alienation. He says that the core of the conception as Marx employs it is the notion that:

"Alienation is historically created phenomenon. Its origin and continuing basis in civilized society arises from the alienation of labour that characterizes all systems of private property from slavery to capitalism. Alienation expresses the fact that the creations of (human) hands and minds turn against their creators and come to dominate their lives. Thus, instead of enlarging freedom, these uncontrollable powers increase human servitude and strip (human) of the capacities for self-determination and self-direction which have raised them above the animals." (Mandel and Novack, 1973: 7)

At the absolute heart of Marx's general critique of capitalism is the notion that alienation is an inevitable effect of capitalist social relations because these relations systematically deprive the majority of access to the means of production (and hence subsistence) and subject them to domination from above, not just within the workplace, but also throughout society. Hence the struggle for working class self-emancipation and socialism is simultaneously a struggle to transcend alienation.

And writer explores this in a little more depth. First, as he has seen, it is only with the arrival of capitalism that the immediate producers become fully separated from the means of production. Hence they are subject to an ongoing socio-economic compulsion to sell their capacity to work for a specified period of time to a capitalist employer. Yet, it vitally important to recognize that the selling of one's labour-power involves much more than a mere economic transaction in the narrow sense of neo-classical economics. Mandel puts this eloquently:

"What does it mean to sell your labour-power to a boss? In Marx's analysis, both in his youthful and his mature work, behind this purely formal and legal contractual relation – you sell your labour-power, part of your time, to another for money to live on – is in really something that has profound consequences for all human existence and particularly for

the life of the wage labourer. It first of all implies that you lose control over a large part of your working hours. All the time which you have sold to the employer belongs to him (of her), not to you. You are not free to do what you want at work. It is the employer who dictates what you will and you will not do during this whole time. He will dictate what you produce, how you produce, how you produce it, where you produce it".

We also become alienated from the products of our labour. In an immediate economic sense they become the products of the employer.

The clearest form of domination by the products of our labour is the domination of the labourer by the machine in industrial production. The machine is a remarkable product of human ingenuity which 'becomes a source of tyranny against the worker when the worker serves as an appendage of the machine and is forced to adapt the cadence of his life and work to the operation of the machine' (Mandel and Novac, 1973: 22)

Alienation pervades our experience, not just of paid work, but the other areas of our lives as well. As consumers we are bombarded with multimedia propaganda in order to cultivate an insatiable desire to purchase ever more commodities.

Although of declining significance in many capitalist societies, religion is another manifestation of alienation.

From this summary it should be clear that Marx's theory of alienation is a highly inclusive one. Marx feels that the experience of alienation extends to politics and the state. Workers and the oppressed feel systematically alienated from the governance of society. Marx held that this specific form of alienation was a necessary characteristic of the representative democracy.

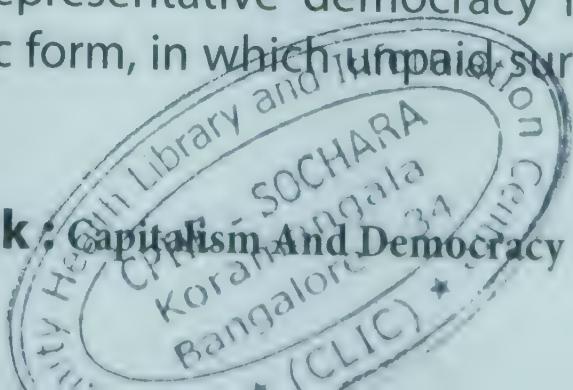
The writer says that although acknowledging that the influence of the citizenry over government is greater in representative democracies than in modern fascist and/or authoritarian dictatorships, and constitutes a qualitative advance over the coercive exploitation of serfs and peasants by the absolutists state of the late feudal era, Marxists argue that the amount of substantive influence that citizens can, in the normal course of events, exert over government in representative democracies is limited.

At the centre of Marx's critique of representative democracy is his observation that 'the specific economic form, in which unpaid surplus-

POL - 100 PIS

Infopack

154-23



labour is pumped out of direct producers, determines the relationship of rulers and ruled' (1967b: 791). This is most pronounce in capitalism, where the irony is that an economic system that has a vastly superior capacity to generate surplus product over and above the subsistence needs of the direct producers (compared with all previous modes of production) appears to be non-exploitative. This is because the relationship between capitalists and workers appears to be regulated by 'free and fair' market exchange.

The theory of surplus-value provides a rigorous analytical foundation both for the critique of representative democracy and for explaining the evident unequal capacities of different categories of citizen to exert effective influence over the governance of society. For it is the process of exploitation that ensures business groups are better resourced than, for example, trade unions, women's groups and environments. Exploitation creates and perpetuates major disparities of socio-economic status across the citizenry. Class struggle, capitalist control of the media, and business influence over the major political parties are further illustrations of the political ramifications of the underlying process of exploitation.

When capitalism is in the minds of a strong growth phase, governments can make concessions to the working class, hence strengthening the apparent neutrality of the so-called 'liberal democratic state' with respect to social conflict. The opposite is the case during prolonged economic crises when the pro-business bias of the state becomes more evident. The relations of production that are constitutive of capitalist mode of production are necessarily undemocratic precisely because they rest on the systematic exclusion of the immediate producers from exercising effective control over the means of production, labour-power and resource allocation.

The democratic citizenship associated with capitalism not only alienates power from citizens and concentrates it in the hands of their representatives. Representative democracy, even in its most fully developed form, leaves untouched vast areas of our daily lives – in the work place, in the distribution of labour and resources – that are not subject to democratic accountability, but are governed by the powers of property, 'market forces' and the exigencies of profit maximization.

Marx calls representative democracy a swindle not because it is undemocratic, but because this specific form of democracy is inherently

limited: it systematically and necessarily excludes the majority of laboring citizens from exerting effective control over their work-places, resource allocation, social institutions and the state. Representative democracy is also a swindle because ideologically it creates and sustains the illusion of popular sovereignty and influence, while actually acting to undermine and limit the latter.

Even purely in terms of its constitutional principles, key institutional mechanisms and operating procedures, representative democracy is an extremely limited and restrictive form of democracy. Elections are, according to liberals, the linchpin of representative democracy since they help to maintain the ongoing accountability of government to the citizenry. Even the constitutional separation of powers in liberal democratic states does not effectively constrain the power of the executive.

With respect to equality before the law and civil liberties, in reality the wealthy are most able to use the judiciary to seek protection from arbitrary and unfair treatment by the state. Further, members of the capitalist class, and the middle classes, are better placed to utilize their citizenship rights to exert influence over the political sphere.

The central thrust of the Marxist critique of liberal principles of representation is that they are far too limited: direct participation is preferable to indirect representation; power should remain with, rather than being alienated from, laboring citizens; election should be held frequently and the right to recall instituted at all levels; the standing police and the army should be disbanded and replaced by a popular militia; representatives should be paid no more and enjoy privileges no greater than those enjoyed by the average workers; the freedom of the press should be extended by making the media much more accessible to, and democratically controlled by, the majority of citizens, and so forth. Perhaps the only liberal democratic citizenship right that would be rescinded, rather than transcended, would be the right to own and control an unequal share of property and productive resources.

As this implies, socialist participatory democracy centrally involves extending democracy from the political to the social and economic spheres through giving labouring citizens effective democratic and collective control over the means of production, resource allocation, workplaces, social institutions and all major state institutions. This kind

of socialist participatory democracy is central to the classical Marxist vision of working class self-emancipation.

Precursors of Socialist Participatory Democracy: The Paris Commune of 1871 and Russian Revolutions of 1905 and 1917 Here the writer says that three distinctive forms of democracy have emerged thus far in history: Athenian democracy, liberal representative democracy and socialist participatory democracy. This book has focused in the main on Athenian democracy and representative democracy.

Marx and Engles provide a systematic critique of capitalism and representative democracy. From this critique, Marx and Engles derived an analysis of why, how and by whom capitalist society could be changed, and argued for a democratic and socialist alternative to it.

Marx advocacy of socialist participatory democracy and communism as an alternative to capitalism was based on an analysis of all of the fundamental contradictions of the capitalist mode of production which were discussed in the previous chapter: the antagonism between bourgeoisie and proletariat generated by exploitation, the contradiction between the increasing chaos of recurrent capitalist crises generated by the underlying tendency for the rate of profit to fall, and the profound alienation experienced by everyone inhabiting a capitalist society. But it is not just that capitalism tends towards increasingly intractable economic crises and intense class struggles, it also produces the principal collective agent of its transformation, and lays the economic foundations for a qualitatively superior form of society, 'both historically possible, and historically necessary (Callinicos. 1995: 160).

Lenin, in the work 'State and Revolution' (1980a: 324), argues that establishment of socialism involves 'an immense expansion of democracy, which for the first time becomes democracy for the poor, democracy for the people, and not democracy for the money-bags'. In a similar vein he emphasizes that 'democracy is of enormous importance to the working class in its struggle against the capitalists for its emancipation' and 'the way out of parliamentarism is not, of course, the abolition of representative institutions and the elective principle, but the conversion of the representative institutions from talking shops into "working" bodies' (Lenin, 1980a: 332, 294).

The writer observes that socialist participatory democracy emerged in an embryonic form during the course of the Paris Commune, and in a more

developed form after the Russian Revolutions of 1905 and 1917. What are the central characteristics of this particular form of democracy? It is a historically novel form of democracy that has the potential to transcend both Athenian democracy and representative democracy because it incorporates some of the strengths of these earlier forms of democracy, such as the civil liberties associated with representative democracy and the participatory methods of governance, administration, and judicial decision making that were pioneered by Athenian democracy.

Socialist participatory democracy is more than an abstract and utopian philosophical manifesto; its coming into being is simultaneously historically determined and actively created by the broad mass of working-class people through the revolutionary transformation of the existing society and the political institutions that govern it. This is a socialism that can only be built from below by a movement of the immense majority acting in the interests of the majority. In socialist participatory democracy, control over production and distribution is achieved through the institutional mechanism of a network of councils and assemblies that combines elements of centralization, for example, a national assembly making major investment decisions, and decentralization with respect to decisions within the workplace and the governance of local communities (Albert and Hahnel, 2002a, 2002b; Callinicos, 1991: 110-18, 1993b, 1993c; Campbell, 2002; Cockshott and Cottrell, 2002; Devine, 1988, 2002; Mandel, 1986; Molyneux, 1991). The right to recall, frequently held elections, regular mass assemblies, constitutional extension of liberal democratic citizenship rights, democratization of the judiciary, and if necessary the establishment of a popular militia to defend the revolution, would ensure the accountability of delegates to the constituencies who elect them.

Such a system of democracy can only be achieved through elimination of all major forms of exploitation, inequality and oppression, and this in turn necessitates the overthrow of capitalism and the parliamentary form of democracy which simultaneously manages and legitimates capitalism. This is also necessary in order to reduce the average hours each person needs to spend performing productive labour and in order to ensure that there is adequate provision of, and equal responsibility for, childcare. By creating more 'free time' socialism ensures, not only that participatory democracy can work, but also that individual liberty, diversity and self-development are maximized.

MANAGING DEMOCRACY

MANAGING DISSENT

Capitalism, Democracy and the Organisation of Consent

Edited by Rebecca Fisher, Published by Corporate Watch 2013

Bird's Eye View

Three seventy nine page book '**Managing Democracy, Managing Dissent**' comprises of twenty essays written by writers, academics and activists and edited by Corporate Watch researcher Rebecca Fisher. These essays collectively argue that genuine democracy and capitalism exist in fundamental contradiction, and explores how this contradiction is sustained via propaganda, manipulation of public opinion, and the co-option, marginalisation and repression of dissent.

This ground-breaking book reveals how despite its inherently anti-democratic nature, global capitalism is dependent upon the manipulation of the concept of democracy to survive. It thus exposes a potential weakness at the heart of capitalism, which activists and campaigners can usefully target in their struggle against oppression and environmental destruction.

Divided into five sections, the book addresses: **The Contradictory**

Nature of Democracy Under Capitalism(Part1); Masking the Contradiction(Part 2); Co-opting Dissent(Part 3); Legitimating the Repression of Dissent(Part 4); and 'Democracy Promotion' in Pursuit of Global Hegemony(Part 5). Each section is composed of three to six short essays exploring some aspect of the respective theme. The first section serves to illustrate how the liberal state occupies a contradictory space as both the impartial judge protecting the supposedly innate and universal rights of the individual, and the authority entrusted with protecting private property rights, and thus the unequal social order, from challenges from the dispossessed majority.

In part 1, **Rebecca Fisher's** article '**The Paradox of Democratic Capitalism: An Historical Overview**', is particularly noteworthy as she skillfully introduces the emergence of liberal democracy and the expansion of the franchise (in the US and UK contexts) as an attempt to enroll working class struggle into the reproduction of capitalism through the provision of closely circumscribed popular participation in governance. Hers is a compelling account of limited democracy as a capitalist weapon of class struggle.

She says that capitalism and democracy have been locked in a contradictory yet interdependent relationship throughout their history. Despite popular conceptions, liberal democracy has emerged as a mechanism which has in effect limited popular participation, and operated as a legitimating device to protect capitalism from more direct forms of democracy. Her article examines some of the ways in which ideals of democracy centered on wide public participation have been suppressed, and limited liberal democracy promoted, in order to mask the anti-democratic and oppressive nature of capitalism, and organise general consent. It traces the historical evolution of this contradictory, yet mutually reinforcing relationship, suggesting that both capitalist and liberal democratic processes arose as defensive responses to subvert popular democracy and contain real and potential social rebellions. It also shows that this subversion is at times unstable, faced with inherent social and ecological limits to capital accumulation and continual opposition from advocates of a more genuine, popular democracy. The organization of consent is necessarily a fraught, fluid and flexible process, and capitalist regimes are compelled to use increasingly overt anti-democratic practices, including exploitation, repression, and violence when consent is elusive. Thus the paradox is that liberal

democracy must rely upon repressive means to contain social conflict, maintain the social order and pursue perpetual economic expansion, transgressing the rhetoric and language of democracy deployed to legitimate capitalism.

The writer admits that this article only provides a brief and partial overview of some very complicated processes, over a long historical period. It is written from one particular angle and without intending to exclude others. It brings out some of the key historical flashpoints in the use of democracy as an ideological cover to hide and mystify capitalism's oppression. The writer says that the intention is to reveal some important aspects of how the capitalist social order has been legitimated via the language of democracy. Of course, liberal democracy is one of many disciplinary and ideological mechanisms by which general consent, or at least resignation, to capitalism are organised. Others - such as direct economic and political coercion - are not addressed here.

She further says that this article does not purport to provide a comprehensive answer to the thorny question of how the capitalist order is sustained and (re)produced, but merely to suggest one perspective from which it can be tackled. In doing so, it employs Antonio Gramsci's ideas concerning hegemony, which was described by Gramsci as "consensus protected by the amour of coercion". This seems to offer a useful method of understanding the mutually dependent and dynamic relationship between consent and coercion, in particular in relation to the limited practice of democracy, and brings to light the dynamic and sometimes tenuous attempts to contain resistance and legitimate the capitalist system.

Fisher says that the emphasis purely on the procedural aspects - primarily elections typically held every few years - to define democracy is a fundamental mechanism by which the popular participation in decision-making is suppressed, and social antagonism caused by capitalism's structural inequalities contained. As William I. Robinson writes, the term 'polyarchy' is more accurate to describe this system in which "a small group actually rules and participation in decision-making by the majority is confined to choosing among competing elites in tightly controlled electoral processes." Labelling such a system 'democracy', simply by virtue of holding elections, and without reference to who is in a position to muster the political and cultural resources to become a candidate, or what other forces wield power over those candidates

or exert power over and above the sphere of representative politics, is a powerful ideological weapon with which to manipulate public opinion and engineer consent, especially given the power of naming - or misnaming - to shape how we understand our world. Conversely, a more participatory form of democracy would prescribe a far deeper engagement in political decision-making by the entire populace, and ensure equality of access to political power.

The writer further says that both representative democracy and capitalism emerged as defensive strategies against social struggles for a more equitable and less exploitative system. The inauguration of early capitalist relations should be understood in the context of the crisis of the feudal order in Europe: as an attempt to restore class power of the privileged elites who struggled to maintain their power amid a more powerful labour force and high wages resulting in part from the labour shortage following the Black Death; and to quell the "vast communalistic social movements and rebellions against feudalism" which "offered the promise of a new egalitarian society built on social equality and cooperation." The writer says that however the reality was that the emergence of capitalism was far from certain, and other forms of social organisation were possible. Yet, by means of instigating new and brutal hierarchies of race, gender and geography the foundations of capitalism were laid down "in the relentless attempt to appropriate new sources of wealth, expand its economic base, and bring new workers under its command." This was achieved through vast enclosures of common land; through the suppression of working class, and in particular women's, social and economic status; through territorial conquest in the 'New World' and the ensuing genocides and enslavements of its populations; and through the transatlantic slave-trade. The new social differences, hierarchies and inequalities, in particular in relation to gender, class and race, that emerged as a result weakened the ties of communal solidarity and resistance, and have since become paradigmatic of capitalist development. For instance, the commodification of common land, and therefore access to food, dramatically altered gender relations through making survival conditional upon having a wage, or access to one. This consequently feminised, devalued and hid the work of the reproduction of labour - producing and looking after children, the household and healthcare - since it did not receive a wage. It also increased the rates of capital accumulation possible since wages now only had to

cover a portion of the costs of production. The colonial conquest and enslavement of the ‘New World’ also inaugurated new methods of increased capitalist production and exploitation that still exist today, including the model of an internationally divided yet economically integrated labour force and an export-oriented system of production.

Thus, to counter ongoing and bloody struggles for greater social equality, capitalist relations, and the patriarchal and colonial practices they depend upon, gradually developed mechanisms to control and exploit both waged and unwaged labour, and appropriate new sources of surplus wealth and accumulate capital. Such mechanisms are very much in existence today, ensuring that capitalism is still “necessarily committed to racism and sexism.”

The writer further says that in reality however, political and economic power are never possible to separate, and this reveals the root of the contradictory and complicated relationship between capitalism and popular democracy. It has therefore required a long, contested and far from inevitable set of processes to apply the ideology of liberal democracy in legitimating capitalism, as the social, economic and political polarity produced by capitalism can never be wholly reconciled with the ideology of democracy.

She says that restricting the franchise to those sufficiently economically integrated into the capitalist system in order to render them unlikely to pressure for systemic change ensured that, eventually, even near universal franchise could prove a highly effective mechanism to contain social discontent, and insulate the economic sphere from political challenge. As Claus Offe states, enfranchisement served to placate the public and stave off clamors for systemic change: the mechanism through which democratic equality would lead to the peaceful and stable (rather than revolutionary and disruptive) processing of conflict, its accommodation, and change was thought... to reside in the voting and bargaining powers with which those inferior in socio-economic power were to be compensated for their relative powerlessness through the constitutional provision of political resources... If every interest was given a ‘voice’, no body had any reason to ‘exit’ to a radical anti-systemic opposition. By virtue of its procedures, democracy is able to reconcile conflict to the extent which is necessary for the maintenance of stability and do so more effectively than any other regime form.

The writer says that the economic integration of non-elite groupings was partly achieved through granting real or perceived social advancements in terms of wealth, social mobility or access to relative luxuries, provided by imperial expansion. Thus, in Western Europe, mirroring the development of early capitalist relations, the social conflict engendered by the industrial revolution was partly offset by intensified efforts to colonise new places, exploit their populations' labour and resources and extract more surplus capital. This process enriched the burgeoning 'middle-class', and enabled an increase in their political power by various means, including the extension of the franchise to wider groups of property-owners, and eventually, to the whole adult population (barring such groups as prisoners and foreign-nationals). Thus, the development of liberal democracy and the extension of the franchise can be understood to have emerged as a means of providing political stability as a defensive response to real or threatened social and political unrest. This demonstrates how capitalism and liberal democracy evolved symbiotically, and explains why the limited 'democratic' systems are most stable in the "centers of the world system, where wealth is concentrated and the process of capital accumulation most dynamic". It also demonstrates that, just as when capitalist relations first emerged, state repression (through facilitating and legitimating capitalist and imperial expansion) constitutes a determinant feature of capitalism, and further illustrates its structural incompatibility with, and thus inherently hollow claims to co-exist with popular participation in democracy.

The process of perpetual expansion into new places, resources and services continues today in the pursuit of capital accumulation, class power and legitimating the capitalist social order. For instance, recent years have seen new patterns of enclosure encompassing entirely new spheres of the commons, such as the financialisation of nature and commercialization of social media. This has brought a raft of new commodities, with everything from pollution rights and genetic traits to ecosystem services becoming incorporated within the market. The global economic crisis has also resulted in entrenchment and expansion of privatisation around the world accelerating the transfer of resources from public to private. Such 'new enclosures' are continually met with resistance, claiming with the first struggles against land enclosure, and embodying the social contradictions that has always been inherent to the capitalist system.

Under the sub-heading '**Information control for social control**', the writer says that the eventual extension of the franchise to all adult citizens, and both sexes strengthened the imperative for those in power to find effective means to discipline people's choices and behaviours via social control and to influence public opinion and understandings via ideological means. The means of social control utilised by 'democracies', which include the laying on of putatively beneficent state services such as pensions, hospitals, schools, and so on, to encourage popular support for the status quo by giving the impression that the state exists to serve the public interest, and help to maintain the day-to-day running of the capitalist system, e.g. by providing education, and indoctrination where required for its workers, health services to ensure enough survive to provide and reproduce their labour, and arguably to discipline people into assenting to the capitalist order. However, more explicit forms of public manipulation of opinion are more directly connected to the development of liberal democracy as a mechanism to contain the social discontent and rebellion that capitalism produces, and so deserve a brief examination here.

The writer further says that while propaganda is of course an ancient art, modern propaganda techniques - in particular the public relations industry - can be traced to the United States in the early 20th century, and in particular as a defensive strategy to contain social unrest and to promote perpetual consumerist behaviour amongst the population.³⁵ (See also Sussman, Foreword.) The massive appropriation of wealth among a political and economic elite had been met by the rise of organized labour and immigrant movements which demanded greater economic and political rights. Corporations in the United States responded by developing ways to control their reputations among the public, as a "response to the threat of democracy and the need to create some kind of ideological link between the interests of big business and the interests of ordinary Americans." This dynamic has continued ever since: in 1938 the National Association of Manufacturers warned of "the hazard facing industrialists" in "the newly realized political power of the masses", and noted that "unless their thinking is directed we are definitely headed for adversity".

The writer says that the PR industry has now grown into a massive enterprise, manipulating public opinion by frequently injecting stories, marketing and disinformation into the news and popular culture, often

without direct attribution to the corporate and elites interests from which they originate. In addition, the mainstream media, entertainment and culture industries are largely dominated by huge corporations, and other state and elite interests. (See also Cromwell and Edwards, Chapter 5 and Alford and Fisher, Chapter 6.) The cumulative effect is to glorify the benefits provided by capitalism, and its corporate servants, and to mystify and disguise the violent and exploitative reality of its operations.

Unsurprisingly, propaganda techniques were also used to subvert even the limited democracy permitted in the US and manipulate public opinion for political ends, in ways which have become systemic in modern global capitalism. The Committee for Public Information, also known as the Creel Commission, was created to generate public approval for US intervention in World War One. To do so, it claimed that sending troops to fight in the war was necessary in order to 'make the world safe for democracy'. This use of democratic rhetoric to legitimate foreign and often military interventions has since been an essential weapon of US global and imperial power. Public Relations pioneer Edward Bernays was part of the Creel Commission, and when the war ended put his expertise to use in developing peacetime PR methods for companies including Proctor and Gamble, CBS, General Electric and Dodge Motors. Using his uncle Sigmund Freud's theories about social psychology, and in particular those concerning unconscious desires, he pioneered a now ubiquitous form of advertising which equated the product with symbolic qualities - such as status, dominance or freedom - often qualities which people felt were missing from their lives. He was well aware of the political impact of his methods, both in terms of helping to deflect energies away from political struggles via consumerism and in the more general influence on people's perceptions of themselves and their society. Bernays believed that such direct manipulation was necessary in order to limit liberal democracy, in order to protect it from the 'ignorant masses', whose empowerment he believed would lead inevitably to Fascism.

The developments in propaganda, public relations and consumerist ideology had important political implications, promulgating the notion that the route to freedom and happiness lay not in winning political freedoms but in material possessions, which were advertised as quick-fix solutions to social and personal malaise, and tickets to a liberated, meaningful and connected life. This both served to militate against

overproduction by persuading people to purchase goods for which they had no need and to dampen social discontent with the capitalist system responsible for many of the alienations. Those with enough disposable income were to be liberated by the market, and in this way their very tangible lack of freedom over their everyday lives - their choices in regards to work, education, housing, leisure etc. - was hidden behind their new wealth of consumer choices. Consumerist ideology serves to depoliticise social behaviour, including of those who are unable to afford to purchase the goods on offer, through encouraging the psychological fixation upon material possessions, individually owned or craved, rather than political causes, inducing debilitating alienation, atomisation and marginalisation). As Kaela Jubas writes, "the ideology of consumerism functions to conflate the concepts of consumption and citizenship and capitalism and democracy, as if consumption offered a resolution to social and political struggles".

Ms. Fischer further says that another crucial mechanism is the supposedly philanthropic funding of education programmes, public policy research, cultural and knowledge production and civil society organisations. Particularly in the United States, where welfare and philanthropic activity was less monopolised by the state or the church than in European capitalist societies, wealthy elite foundations operate significant ideological influence to limit the radical potential of knowledge and culture, by co-opting and neutralising the political activities of NGOs, civil society and grassroots organisations, and social movements. As Arnove, whose seminal work has helped to expose this hidden nexus of unaccountable and unregulated power, puts it, philanthropic "foundations like Carnegie, Rockefeller, and Ford have a corrosive influence on a democratic society... they buy talent, promote causes, and, in effect, establish an agenda of what merits society's attention" and "serve as 'cooling out' agencies, delaying and preventing more radical, structural change".

Under the sub-heading '**Capitalism's inherent instability**' she says that however, capitalism is continually, and inevitably, beset by crises arising from its inherent social contradictions and its dependence upon inequality, exploitation and violence which is likely to breed social rebellion. When the patterns of capital accumulation are severely disrupted then the political system of 'democracy' too is precarious. In such circumstances, consensual mechanisms may be discarded

and replaced by more coercive means of control, as occurred during the 1930s in Japan, Germany and Italy. Frequently, however, new, apparently more benign, forms of state intervention are developed, in response to a crisis of legitimacy and capital accumulation. The New Deal and other state interventionist policies in welfare provision and job creation were direct responses to the very real threat of social rebellion against the capitalist social order during the Great Depression. Similarly, the post-War adoption of Keynesian, corporatist economic and political policies were designed to ameliorate the worst effects of capitalism in the regions where capitalism was most developed and stave off social unrest. They produced a fragile compromise between capital and labour which included state intervention and political concessions such as a degree of accommodation of trade union power, controls over the free movement of capital and extended public expenditure, particularly in the development of the welfare state, all with the promise of full employment, welfare provision and continued economic growth. It also demonstrates the inherent violence and repression upon which the maintenance of the capitalist system, particularly in times of crisis, depends. Thus in the post-war period liberal democracy was increasingly used as a rhetorical device to mask the repression required to police and enforce countries' compliance with and integration into the globalizing capitalist world-system.

Under the sub-heading '**The contradiction of imperialist democracy**' the writer says that following in the path set by the Creel Commission, the United States government and corporate elites used a rhetoric of democracy to advance highly undemocratic, imperial practices in the pursuit of greater global capital accumulation. US political intervention to manipulate, influence and control the political behaviours and choices of subject populations has been particularly deployed on movements which chose to support left-wing or communist causes. She further says that by the end of the 1960s the post-War settlement was clearly breaking down in the wake of the stagnating global economy and rising social and political instability. Rates of capital accumulation decreased dramatically as unemployment and inflation surged; wealthy elites found their investment returns suffering, while others suffered from severely diminished buying power of their wages. Social disorder, from riots and strikes in the more advanced capitalist countries to revolts and uprisings against their imperial rule and authoritarian

puppets in the periphery, further threatened the accumulation of capital. US imperial might was fundamentally shaken, in particular by its defeat in Vietnam, the collapse of the Shah's client regime in Iran in early 1979 and the Nicaraguan revolution in the same year. In short, the capitalist system faced a crisis of legitimacy. While corporatist solutions were still proffered, and often adopted, (particularly in Scandinavian countries with a strong tradition of a social-democratic welfare state), by the 1970s an alternative solution was devised; this sought increased corporate power and greater market freedoms in order to restore the class power of the most wealthy and capitalist expansion was gaining sway. This strategy became known as neoliberalism, and along with it emerged its political counterpart, created in order to restore global legitimacy, which, ironically, commonly goes by the name of 'democracy promotion'.

Under the sub-title '**Neo-liberalism and democracy promotion**' the writer starts with this quotation of Howard Wiarda- "*A US stance in favor of democracy helps get the Congress, the bureaucracy, the media, the public, and elite opinion to back US policy. It helps ameliorate the domestic debate, disarms critics (who could be against democracy?)... It helps bridge the gap between our fundamental geopolitical and strategic interest and our need to clothe those security concerns in moralist language...The democracy agenda, in short, is a kind of legitimacy cover for our more basic strategic objectives.*"

Then she elaborates that the ascendency of neo-liberalism was a gradual process. Its adherents had been circling the political and academic establishment since the late 1930s, gathered around Friedrich von Hayek and Milton Friedman, and in think-tanks such as the Mont Pelerin Society (created in 1947) and offshoots such as the Institute of Economic Affairs (created in 1955), one of the most influential free-market think tanks in the UK. Until the 1970s the neoliberal movement remained on the fringes of both the academic and policy-making stage, but as a result of the crisis of capital accumulation and legitimacy in the 1970s it garnered more interest, funding and influence, including two Nobel Prizes in economics for Hayek and Friedman (in 1974 and 1976 respectively).

The writer says that first appearance of neo-liberalism theory in practice occurred without the cover of any form of democracy, but through brute force. Although in other countries similar neo-liberal policies have been

carried out with less ideological purity and more pragmatism, the Chilean experience showed the germ of a brutal economic doctrine which was to be expanded throughout the world following its experiment in the periphery. A crucial lesson learnt during this experiment was that such unpopular economic measures with such destructive socio-economic impacts could not be reliably imposed solely through the use of force. Although Pinochet remained in power for 16 years his repressive regime became an international pariah, accepted only by such neo-liberal devotees as Margaret Thatcher. As Hayek had correctly predicted, the battle of ideas had to be won to combat both Marxism, state-planning and Keynesian interventionism, neo-liberal ideas had to become an intrinsic part of the dominant discourses, and an unquestioned part of the ideological landscape. It therefore became clear to corporate and government elites that capitalism's insatiable demand for new markets and resources would require even more sophisticated mechanisms of social control and ideological hegemony to achieve the legitimacy necessary to engineer consent. As in the regions central to the capitalist world system, these would need to address more than the governing elites, but instead engineer consent at the level of the general populace. In short, as capitalist relations expanded and deepened under neo-liberalism, hegemonic forms of political control which aimed to infiltrate the consciousness of the masses were required in the periphery as well as the centre, and once again the ideology of democracy proved integral to these efforts.

The Trilateral Commission reached the same conclusion when in 1975, they authored an influential report called "the Crisis of Democracy". They believed the industrialized world was experiencing "an excess of democracy" in which "the pursuit of democratic virtues of equality and individualism has led to the delegitimation of authority" and so prescribed "a greater degree of moderation in democracy" by which they meant less popular participation. The report reflected that "in recent years, the operations of the democratic process do indeed appear to have generated a breakdown of traditional means of social control" and "a delegitimation of political and other forms of authority" producing what it called "dysfunctions of democracy" as "the vitality of democracy in the 1960s raised questions about the governability of democracy in the 1970s".

For the Commission, restricted democracy was required to contain

and limit mass participation, rather than to enable it. With the Chilean experience in mind, the report recommended "experimenting with more flexible models that could produce more social control with less coercive pressure." For the Commission, the kind of democracy that was required was one in which the civil society would be better controlled and manipulated in order to neuter public opinion and resistance, and militate against the risks of social rebellion against the capitalist, undemocratic and unequal social order. This, it was hoped, would correct the "flukes" and "dysfunctions" of democracy, without the risks to legitimacy posed by direct coercive force. Democracy promotion thus became the primary rhetorical device in order to legitimate imperial and inherently anti-democratic ventures. In 1982, President Reagan launched a new policy to help "foster the infrastructure of democracy around the world", which became known as Project Democracy. Raymond D. Gastil, a consultant on the project, described the goals as: "The preservation of democracies from internal subversion by either the Right or the Left" and noted that they would require the US to "struggle militarily, economically, politically and ideologically."

Towards the end Rebecca Fischer says that as this article has demonstrated, the efforts to spread the ideology and practice of profoundly limited democracy are a direct result of the fraught and contradictory relationship between capitalism and democracy, and their ultimate incompatibility. As capitalist expansion deepens, enclosing more and more of the world's commons and commodifying more goods and services, particular democratic practices - primarily voting in elections - emerged to contain the resistance that these enclosures generate. However, these democratic practices have had to be continually restricted and limited in order to insulate the processes of capitalist capture from political pressure from subjugated classes and groups. As we have seen, this has resulted in an unstable and sometime precarious hegemonic order in which, by virtue of its multiple and contradictory meanings, democracy is both a mask to legitimate capitalist coercion, and a direct threat to those coercive forces. Thus the existing supposedly democratic systems have to become ever more anti-democratic in line with capitalist expansion, thereby jeopardising the claims made that capitalism is, or can be, democratic, which remains a crucial means of securing public consent.

She says that in the present neo-liberal era, we are, therefore,

experiencing increasing corporate domination of many allegedly 'democratic' decision-making processes - from the revolving doors between Companies and government, to the large-scale corporate bankrolling of election campaigns to encourage candidates' loyalty to corporate, rather than public interests; from the insulation of monetary policy making from any form of even nominally democratic control, to the deployment of corporations to rebuild the political structures of Iraq's 'democratic' government, and even its basic economic and monetary systems following the invasion.

Meanwhile, evermore brutal disciplinary measures are deployed against those who rebel: note the growing rates of incarceration and social exclusion from state provisions. This is perhaps most starkly revealed in the story of migration under neo-liberalism, in which while capital is increasingly free to move people's movement is 'managed', in order to discipline people into working for low wages in the periphery or in inhumane conditions as 'illegal' migrants in the centre. Corporations too are entrusted with the task of mystifying and disguising this shocking reality via the manipulation of public opinion using the powerful public relations and promotional industries, and their dominance within the mainstream media, entertainment and cultural industries. Dominant political and cultural discourses are now routinely constructed to promote capitalist narratives of democracy, freedom and individual choice.

In another article titled '**Market Patriotism: Liberal Democracy Unmasked**' the writer **David Whyte** says that we are living in confusing times. This is an age in which liberal democracy is being extended across the globe by ever more awesome and terrifying forms of policing and military violence. It is an age in which liberal democracy is being imposed without choice upon the most vulnerable economies by faceless and unaccountable financial institutions. And it is an age in which the most extreme forms of violence and economic force are produced by liberal democracies. Yet a close look at world history shows us that there is no contradiction between the model of liberal democracy and the violence that is necessary to ensure its prevalence. He says that the history of both British and American Imperialisms, although their paths of development have been wholly different, show this umbilical connection between extreme violence and the spread of the model of liberal democracy most openly.

In the British Empire, the open acknowledgment of this close connection is written into the blueprint for colonisation. Simply read John Locke's theory of property; which is nothing less than a rationale for a very Christian form of pillage and theft (Meiksins Wood, 2003). At the height of the American Empire, in the late 20th century, the doctrine of liberal democracy was rhetorically trawled out in US foreign policy as the same government sponsored and ensured the survival of regimes that routinely practised torture and organised death squads (Herman, 1982).

Whyte further says that in contemporary capitalist societies, we need to distinguish between what liberal democracy does and what it says it does. This may seem obvious, but this basic conflation remains the source of so much obfuscation and mystification that it continues to obscure our view of how the world really works. Most contemporary social theory that has become prominent in academic disciplines and political debates suffers from a basic misunderstanding of liberal democracy: that liberal democracy is democratic. Yet the political and economic systems that we know as 'democracies' are far from what they claim to be. Liberal democracy remains the same as it ever was: a set of political principles that claims to guarantee equality of access and collective decision making to all, but delivers the opposite. Further, the argument will be that in current times of 'turbo-capitalism' or 'neo-liberalism', those myths of equality and universal access are quickly evaporating.

He further says that unlikely though it may seem in a world that we are continually being told is a global village, or is more interconnected and unified than ever before, a key response by governments to the melting legitimacy of liberal democracy is a very traditional form of nationalism, or what I describe here as 'market patriotism'. This resort to market patriotism is becoming more prevalent as a replacement form of legitimization for the fading myths of liberal universalism. In place of those universalising premises of liberal democracy, the rationale for neo-liberalism is very often reduced to the economic 'success' of a given nation state. Ideological supports for capitalist social orders defend 'market' and 'nation' in equal measure. The term 'market patriotism' is used here to describe the hegemonic attempt to crudely couple the public interest to the economic interest of the ruling elite. It is in market patriotism that we find the most open ideological defence of the naked brutality and economic egoism of neo-liberalism.

Under conditions of a 'war on terror' (no matter how contrived this 'war' might be), market patriotism has been mobilised to facilitate the uninterrupted accumulation of profits, to provide a basis for heightened collaboration between corporations and government institutions, and to provide a more general 'common' sense basis for the mobilisation of public and private apparatuses to 'secure the imperium' at home and abroad. Thus, following the September 2001 attacks on the World Trade Centre and the Pentagon, ideologies of market supremacy became prominent in relation to the defence of 'our' markets and 'our' market system against the 'terrorists'. Typically, such national security crises are coupled with appeals to 'consumer patriotism'.

A key problem for ruling elites seeking to maintain their grip on power at this juncture, is the apparent paradox of how to maintain legitimacy in an economic system that continually undermines the stated basis of this legitimacy; this problem is essentially one of how to maintain enough popular support to guarantee stable hegemonic rule. As the liberal mask begins to slip, glib claims about universal prosperity, representation or 'freedoms' are less likely to have popular appeal. Consent or social incorporation is now less likely to be secured consensually with reference to universality, and is increasingly sought through a more naked brand of economic force.

He says that typically, market patriotism is opportunistic. In times of war or acute economic crisis, nation states have traditionally relied upon some kind of market patriotism as a technique of popular mobilisation. In the Second World War, appeals for people to adapt their patterns of consumption in line with the war effort were commonplace (Calder, 1969). In this respect it is also worth recalling 'Buy British' and 'Buy American' campaigns that surface intermittently during economic crises.

In the context of the 'war on terror', market patriotism has been used as a means of abstracting crises in uneven-development or the uneven distribution of profits by conflating a common security threat to the general population (terrorism) with a threat to uninterrupted profit accumulation. The new market patriotism therefore couples the common public interest to the unobstructed accumulation of profits by capital in a way that does not rely on - and explicitly eschews - principles of universal prosperity and representation. Market patriotism ensures that states as well as market actors are brought into line with the

exigencies of neo-liberal markets. Under conditions of 'War on Terror', market patriotism has been mobilised to facilitate the uninterrupted accumulation of profits, to provide a basis for heightened collaboration between corporations and government institutions, and to provide a more general 'common' sense basis for the mobilisation of public and private apparatuses to 'secure the imperium' at home and abroad (Whyte, 2008). Thus, following the September 2001 attacks on the World Trade Centre and the Pentagon, ideologies of market supremacy became prominent in relation to the defence of 'our' markets and 'our' market system against the 'terrorists'. Typically, such national security crises are coupled with appeals to 'consumer patriotism'. Thus former President of the US Bill Clinton took to the streets in a public shopping spree for ties in order to remind citizens of their "patriotic duty to spend money" (Whyte, 2002).

The writer further says that a key problem for ruling elites seeking to maintain their grip on power at this juncture, is the apparent paradox of how to maintain legitimacy in an economic system that continually undermines the stated basis of this legitimacy; this problem is essentially one of how to maintain enough popular support to guarantee stable hegemonic rule. As the liberal mask begins to slip, glib claims about universal prosperity, representation or 'freedoms' are less likely to have popular appeal. Consent or social incorporation is now less likely to be secured consensually with reference to universality, and is increasingly sought through a more naked brand of economic force. Thus ruling elites must find ways of securing consent for neo-liberal policies and strategies that are increasingly pared down to a purely economic rationale. There is no sophisticated way to do this. Neo-liberalism in the present era is reliant upon ever more vulgar means of seeking consent for ever more vulgar forms of social organisation.

Now, the argument here is not that the universalising claims that underpin capitalist social orders can or will be abandoned in political discourse entirely. Politics, as the Italian Marxist, Antonio Gramsci argued, is always underpinned by hybrid philosophies and ideas (Gramsci, 1996). No government rules with reference to one intellectual tradition and discourse is never formed around a fully coherent conceptual architecture (also, Foucault, 1991). Claims to universal prosperity, representation and freedom have been central ideological supports for the ruling elite in capitalist societies for three centuries and are not likely

to be erased overnight. Typically, market patriotism is opportunistic. In times of war or acute economic crisis, nation states have traditionally relied upon some kind of market patriotism as a technique of popular mobilisation. In the Second World War, appeals for people to adapt their patterns of consumption in line with the war effort were commonplace (Calder, 1969). In this respect it is also worth recalling 'Buy British' and 'Buy American' campaigns that surface intermittently during economic crises.

In the context of the 'war on terror', market patriotism has been used as a means of abstracting crises in uneven-development or the uneven distribution of profits by conflating a common security threat to the general population (terrorism) with a threat to uninterrupted profit accumulation.

The new market patriotism, therefore, couples the common public interest to the unobstructed accumulation of profits by capital in a way that does not rely on - and explicitly eschews - principles of universal prosperity and representation. Market patriotism ensures that states as well as market actors are brought into line with the exigencies of neo-liberal markets.

David Whyte illustrates that five days after the bank bail-out was announced, British Prime Minister Gordon Brown invoked the "spirit of the blitz" as the way out of the deepening financial crisis and argued that Britain's economy – the government alongside the banks alongside the people - could lead the global recovery (Sunday Mirror, 12th October, 2008). No political party challenged this appeal. Indeed, there was a remarkable solidarity amongst political elites that the way out of the crisis was to donate enormous sums to the banks and get everyone else to pay for it. He says that this manufactured national unity - that we are "all in this together" - is a seductive reflex for governments caught in a fiscal crisis.³ It enables governments to appeal to a unity that is not based upon unsustainable myths of universalism, but merely based upon an appeal for economic success, as measured in neo-liberal terms. A more openly economically egotistic premise is revealed at the core of those appeals, whereby economic success is justified not as a means to achieve socially useful or politically fair ends, but is simply sought as an end in itself (Tombs, 2001).

Contemporary capitalism has created the necessity for a more nakedly

economic/egotistic rationale in its legitimating narratives. It is this gradual rejection of any other reasoning for the spread of neo-liberal capitalism other than for economic growth and the accumulation of profit as ends in themselves that marks out the contemporary brand of liberal democracy as particularly brutal. It is an approach that sidesteps the political reasons behind the deepening economic inequalities that characterise the governments' response to crisis, and at the same time recasts both the cause of the fiscal crisis and the political response as collective responsibilities. There is, in the logic of market patriotism, no alternative to embedding the interests of capital in public mechanisms of political representation.

He further says that Market patriotism mobilises general support for a project of 'national unity' in which the interests of state-corporate elites are aligned with the general public interest. At the same time, it seeks to reconcile conflict between different sections of the ruling elite. The key effects of market patriotism are the development of intellectual legitimacy for, and the provision of momentum towards, particular formations of government-capital symbiosis. It is concerned on the one hand with organising the support of subordinate groups for projects of national unity and on the other with organising unity across ruling elites. Market patriotism directs us away from asking about the politics and economics that is taking some of the world's most developed countries to the brink of collapse.

The post-2008 fiscal crisis and the post-2001 'war on terror' – have both been legitimised by a form of market patriotism which asserts that we are "all in this together" and, therefore, that we share a common interest in refusing to deviate from a broadly neo-liberal social and economic strategy.

Whyte concludes that the mechanisms that deepen inequalities and intensify insecurity for most of the world's population are precisely the same ones that create a crisis in legitimacy in global capitalism. Neo-liberal governments are set to fall back upon market patriotism more frequently as a means of legitimising a literally bankrupt economic system, as a means of justifying the intensification of state attacks upon individual liberties and as a means of excusing the extreme violence used against subordinate populations to secure the 'national interest' at home and abroad. Yet it is not market patriotism that is behind the brutal turn in neo-liberalism; market patriotism is merely a surface reflection

of the need for ruling elites to find new ways to justify policies that are increasingly being seen as unjust.

The writer further says that the lack of popular support and the volatility and insecurity that this implies for the lives of the citizens subject to neo liberal policies means that they are implemented using techniques of economic coercion. The coruscating inequalities created by neo-liberal policies that leave large numbers of people dispossessed and impoverished provides stark evidence for everyone to see that the 'benefits' of neo-liberal economic policy are not universalised. Yet, we should be wary of being forced into a false choice of being either 'with democracy or against democracy'. The fact is that economic force now more easily brushes aside the civil and political protections that come, selectively, with citizenship in more brutal and chaotic ways than we have recently known. We might, under those circumstances, begin to feel quite nostalgic about good old fashioned forms of democratic inequality. Yet what we are experiencing is merely a more open and visible administration of the gross inequalities that have always been inscribed into systems of liberal democracy.

In the chapter **Global Rebellion: The Coming Chaos**, the writer William I. Robinson says that as the crisis of global capitalism spirals out of control, the powers that be in the global system appear to be adrift and unable to propose viable solutions. From the slaughter of dozens of young protesters by the army in Egypt to the brutal repression of the Occupy movement in the United States, and the water cannons brandished by the militarised police in Chile against students and workers, states and ruling classes are unable to hold back the tide of worldwide popular rebellion and must resort to ever more generalised repression.

He further says that the immense structural inequalities of the global political economy can no longer be contained through consensual mechanisms of social control. The ruling classes have lost legitimacy; we are witnessing a breakdown of ruling-class hegemony on a world scale. To understand what is happening in this second decade of the new century we need to see the big picture in historic and structural context.

He says that Global elites had hoped and expected that the 'Great Depression' that began with the mortgage crisis and the collapse of the global financial system in 2008 would be a cyclical downturn that could be resolved through state-sponsored bailouts and stimulus packages.

But it has become clear that this is a structural crisis. Cyclical crises are on-going episodes in the capitalist system, occurring and about once a decade and usually last 18 months to two years. There were world recessions in the early 1980s, the early 1990s, and the early 21st century.

Structural crises are deeper; their resolution requires a fundamental restructuring of the system. Earlier world structural crises of the 1890s, the 1930s and the 1970s were resolved through a reorganisation of the system that produced new models of capitalism. 'Resolved' does not mean that the problems faced by a majority of humanity under capitalism were resolved but that the reorganisation of the capitalist system in each case overcame the constraints to a resumption of capital accumulation on a world scale. The crisis of the 1890s was resolved in the cores of world capitalism through the export of capital and a new round of imperialist expansion. The Great Depression of the 1930s was resolved through the turn to variants of social democracy in both the North and the South - welfare, populist, or developmentalist capitalism that involved redistribution, the creation of public sectors, and state regulation of the market.

Globalisation and the Current Structural Crisis

The writer says that the globalisation stage of world capitalism we are now in itself evolved out the response of distinct agents to these previous episodes of crisis, in particular, to the 1970s crisis of social democracy, or more technically stated, of Fordism-Keynesianism, or of redistributive capitalism. In the wake of that crisis capital went global as a strategy of the emergent Transnational Capitalist Class and its political representatives to reconstitute its class power by breaking free of nation-state constraints to accumulation. These constraints - the so-called 'class compromise' - had been imposed on capital through decades of mass struggles around the world by nationally-contained popular and working classes. During the 1980s and 1990s, however, globally-oriented elites captured state power in most countries around the world and utilised that power to push capitalist globalisation through the neo-liberal model.

Globalisation and neo-liberal policies opened up vast new opportunities for transnational accumulation in the 1980s and 1990s.

The writer says that revolution in computer and information technology

and other technological advances helped emergent transnational capital to achieve major gains in productivity and to restructure, 'flexibilise,' and shed labour worldwide. This, in turn, undercut wages and the social wage and facilitated a transfer of income to capital and to high consumption sectors around the world that provided new market segments fuelling growth. In sum, globalisation made possible a major extensive and intensive expansion of the system and unleashed a frenzied new round of accumulation worldwide that offset the 1970s crisis of declining profits and investment opportunities.

However, the neo-liberal model has also resulted in an unprecedented worldwide social polarisation. Fierce social and class struggles worldwide were able, in the 20th century, to impose a measure of social control over capital. Popular classes, to varying degrees, were able to force the system to link what we call social reproduction to capital accumulation. What has taken place through globalisation is the severing of the logic of accumulation from that of social reproduction, resulting in an unprecedented growth of social inequality and intensified crises of survival for billions of people around the world.

The pauperising effects unleashed by globalisation have generated social conflicts and political crises that the system is now finding it more and more difficult to contain. The slogan 'we are the 99 per cent' grows out of the reality that global inequalities and pauperisation have intensified enormously since capitalist globalisation took off in the 1980s. Broad swaths of humanity have experienced absolute downward mobility in recent decades. Even the IMF was forced to admit in a 2000 report that "in recent decades, nearly one-fifth of the world's population has regressed. This is arguably one of the greatest economic failures of the 20th century".

The writer further says that Global social polarisation intensifies the chronic problem of over accumulation. This refers to the concentration of wealth in fewer and fewer hands so that the global market is unable to absorb world output and the system stagnates. Transnational capitalists find it more and more difficult to unload their bloated and expanding mass of surplus - they can't find outlets to invest their money in order to generate new profits; hence the system enters into recession or worse. In recent years, the Transnational Capitalist Class has turned to militarized accumulation, to wild financial speculation, and to the raiding of sacking of public finance to sustain profit-making in the face

of over accumulation.

While transnational capital's offensive against the global working and popular classes dates back to the crisis of the 1970s and has grown in intensity ever since, the Great Recession of 2008 was in several respects a major turning point. In particular, as the crisis spread, it generated the conditions for new rounds of brutal austerity worldwide, greater flexibilisation of labour, steeply rising under and unemployment, and so on. Transnational finance capital and its political agents utilized the global crisis to impose brutal austerity and attempting to dismantle what is left of welfare systems and social states in Europe, North America, and elsewhere, to squeeze more value out of labour, directly through more intensified exploitation and indirectly through state finances. Social and political conflict has escalated around the world in the wake of 2008.

The writer says, however, the system has been unable to recover; it is sinking deeper into chaos. Global elites cannot manage the explosive contradictions. The writer asks- is it possible that the system will respond to crisis and mass rebellion through a new restructuring that leads to some different model of world capitalism - perhaps a global Keynesianism involving transnational redistribution and transnational regulation of finance capital? Will rebellious forces from below be co-opted into some new reformed capitalist order? Or are we headed towards a systemic crisis? It is impossible at this time to predict the outcome of the crisis. However, a few things are clear in the current world Conjuncture.

The Current Moment

First, this crisis shares a number of aspects with earlier structural crises of the 1930s and the 1970s, but there are also several features unique to the present:

1. We face the real spectre of resource depletion and environmental catastrophes that threaten a system collapse.
2. The magnitude of the means of violence and social control is unprecedented. Also unprecedeted is the concentration of control over the mass media, the production of symbols, images and messages in the hands of transnational capital. We have arrived at the society of panoptical surveillance and Orwellian thought control.

3. We are reaching the limits to the extensive expansion of capitalism, in the sense that there are no longer any new territories of significance that can be integrated into world capitalism. De-ruralisation is now well advanced, and the commodification of the countryside and of pre- and non-capitalist spaces has intensified, that is, converted in hot-house fashion into spaces of capital, so that intensive expansion is reaching depths never before seen.
4. There is the rise of a vast surplus population inhabiting a planet of slums, alienated from the productive economy, thrown into the margins, and subject to sophisticated systems of social control and to crises of survival - to a mortal cycle of dispossession-exploitation-exclusion. This raises in new ways the dangers of a 21st-century fascism and new episodes of genocide to contain the mass of surplus humanity and their real or potential rebellion.
5. There is a disjuncture between a globalising economy and a nation state based system of political authority. Transnational state apparatuses are incipient and have not been able to play the role of what social scientists refer to as a 'hegemon', or a leading nation-state that has enough power and authority to organise and stabilise the system. Nation-states cannot control the howling gales of a runaway global economy; states face expanding crises of political legitimacy.

Second, global elites are unable to come up with solutions. They appear to be politically bankrupt and impotent to steer the course of events unfolding before them. They have exhibited bickering and division at the G-8, G-20 and other forums, seemingly paralysed, and certainly unwilling to challenge the power and prerogative of transnational finance capital, the hegemonic fraction of capital on a world scale, and the most rapacious and destabilising fraction. While national and transnational state apparatuses fail to intervene to impose regulations on global finance capital, they have intervened to impose the costs of the crisis on labour. The budgetary and fiscal crises that supposedly justify spending cuts and austerity are contrived. They are a consequence of the unwillingness or inability of states to challenge capital and their disposition to transfer the burden of the crisis to working and popular classes.

Third, there will be no quick outcome of the mounting global chaos. We are in for a period of major conflicts and great upheavals. One danger is

a neo-fascist response to contain the crisis. We are facing a war of capital against all. Transnational finance capital depends on taking control of state finances and imposing debt and austerity on the masses, which in turn can only be achieved through escalating repression. And extractive industries depend on new rounds of violent dispossession and environmental degradation around the world.

Fourth, popular forces worldwide have moved quicker than anyone could imagine from the defensive to the offensive. It is noteworthy that those struggling around the world have been shown a strong sense of solidarity and are in communications across whole continents.

In writer's view, the only viable solution to the crisis of global capitalism is a massive redistribution of wealth and power downward towards the poor majority of humanity along the lines of a 21st-century democratic socialism in which humanity is no longer at war with itself and with nature.

In part 2, under section **The Liberal Gatekeepers: State-Corporate Power's Little Helpers** the writers **David Cromwell and David Edwards** of Media Lens say that the media excludes possible viewpoints - in fact, accurate depictions of events - that would lead the public to fundamentally question the motives and legitimacy of power.

Silence is to Western democracy what the iron fist is to Big Brother-style totalitarianism. Consider that most of what the public hears about politics, including foreign policy and environmental issues, comes from the corporate media. The industry is mostly made up of large profit seeking corporations whose main task is to sell audiences to wealthy advertisers - also corporations, of course - on whom the media depend for a huge slice of their revenues. This advertising revenue is as much as 75% of a newspaper's total income, even for the so-called quality press like the Guardian and the Independent. It is to be remembered that media corporations are typically owned by wealthy individuals or giant conglomerates, and are answerable to shareholders which means they are legally obliged to subordinate human and environmental health to maximise revenues in minimum time at minimum cost to themselves. The consequences for democracy of such media ownership are normally brushed aside. But corporate news agendas are not only shaped by the commercial and profit interests of owners and shareholders. The corporate media is heavily dependent on governments, the military

and big business sources for an endless supply of cheap news. News media are also subject to intense pressures from big business and establishment interests that control the economy and politics. An oil giant is far more able to intimidate a newspaper than, say, Greenpeace.

What kind of a view of the world would we expect to emerge out of this system? Obviously, it would be one that represents elite interests, the business sector, the government and other institutions and people with power. And, indeed, that's how it turns out.

The media's framing conditions were explained by **Edward Herman** and **Noam Chomsky's** propaganda model in their landmark book, **Manufacturing Consent**. They began their analysis by pointing to the highly concentrated nature of media ownership in private hands. This acts as an effective 'filter' that helps to shape the news that's 'fit to print', to quote the New York Times masthead logo. Then add the other four news filters of the propaganda model: advertising as the primary income source of the mass media; the reliance of the media on information provided by government, business, and 'experts' funded and approved by these primary sources and agents of power; 'flak' as a means of disciplining the media if they deviate too far from state-corporate ideology; and 'anticommunism' - or, more recently, 'anti-terrorism' - as a patriotic pressure and control mechanism; and Beeb's your Big Brother! The model provides a powerful means of understanding how news agendas are routinely shaped in the interests of elite sectors of society.

The writer says that the most highly respected 'liberal' media in this country - notably the BBC, Channel 4 News, the Guardian and the Independent - play a special role in this propaganda system by delimiting the 'progressive' end of the acceptable spectrum for 'mainstream' news and debate. In effect: this far, and no further. Media editors perceive their job as being one of supporting 'democracy' by reporting the opinions of political leaders and government spokespeople at face value. To seriously challenge government claims and motivations, to highlight state hypocrisy and point to past and current crimes, is seen as sabotaging this democracy supportive role; perhaps even undermining Western democracy itself.

This is denounced as 'biased', 'partial' or 'crusading' journalism. But, the writers say, this does not mean that there is no dissent in the corporate media. On the contrary, the system strongly requires the appearance

of openness. In an ostensibly democratic society, a propaganda system must incorporate occasional instances of dissent. Like vaccines, these small doses of truth inoculate the public against awareness of the rigid limits of media freedom. The honest dissident pieces which occasionally surface in the 'mainstream' are almost as important to the successful functioning of the propaganda system as the vast mass of power-friendly journalism. The end result, however, is an overall performance that tends strongly to mould public opinion to support the goals of state-corporate power.

The writers ask-why should there be such skepticism about the BBC? It is paid for by the British public and it is obliged to uphold high standards of fair and accurate journalism. So what is our problem with it? Well, just ask yourself: how can the BBC possibly be relied upon for 'balanced' news when its senior managers, invariably high establishment figures, are appointed by the state? What 'impartiality' is upheld by the BBC Trust whose members are Establishment grandes with fingers in numerous state and corporate pies? Likewise the Guardian, famously owned by the non-profit Scott Trust - as the paper's editors and journalists are fond of reminding their readers - is managed and operated by influential people with extensive ties to the establishment, political parties, banks and big business. The Guardian is just as grubbily commercial as other corporate media organisations. Reporters in the West are happy to pour scorn on the obvious rhetoric of enemy states, but have done very little, if anything, to expose the shame of Western propaganda. Not even the Guardian's Seumas Milne or the Independent's Robert Fisk would ever offer an institutional analysis of the corporate media, especially the liberal newspapers that employ them, as a system of propaganda. For example, they could look into the history and theory of elite control of society, as Noam Chomsky often does. The facts are easily accessible to them and not at all too complex to understand and explain. But they never write about them. It's easy to understand why Milne, Fisk, George Monbiot, Jon Snow and the tiny handful of other 'crusading' journalists don't expose the propaganda system, especially their own employer's role. To do so is to risk alienating influential elements on the paper - the costs of even minor dissent could be high and ultimately career-terminating. Anyone who has worked in a corporation knows that everything revolves around profit-maximisation.

And remember - these are some of the most progressive and prominent

journalists working in the corporate media. They are about as radical as it is possible to be and still appear regularly in the media. So this is why the Guardian, Independent, Channel 4 News and the BBC are crucial to upholding the façade of liberal democracy in this country.

In **chapter 7** under the title **Celebrity Philanthropy: in the Service of Corporate Propaganda**, the writer Michael Barker says that in the era of mass society, the mainstream media have long demonstrated a fixation on celebrities. The public are regaled daily with spectacular stories of their dramatic personal lives and are invited to engage as voyeurs of their glamour-to have a peek in on their soirées with the rich and powerful. In his seminal book, **The Power Elite** (1956), **C. Wright Mills** dedicated an entire chapter to celebrities, observing how, with the rise of national means of mass communication, "the institutional elite must now compete with and borrow prestige from these professionals in the world of the celebrity" (p. 71). He outlined the integral social function their lives fulfill in the management of democracy, noting that "the liberal rhetoric-as a cloak for actual power and the professional celebrity-as a status distraction-do permit the power elite conveniently to keep out of the limelight" (p. 91). Writing so many years ago, Mills was unsure as to whether the power elite would be content to remain uncelebrated. Now, however, under the liberating permissiveness of the neo-liberal regime of media indoctrination and social management, the differences between the jet-set crowd and the power elite are melting (per Marx's observation: "All that is solid melts into air, all that is holy is profaned..."). Actors become political leaders, while politicians become world class "actors." The real power behind these figureheads, however, remains in the hands of what has become an increasingly concentrated economic elite. The basis of elite legitimacy rests largely with the mainstream media, which sanction their behavior as part of the emerging military-industry-infotainment complex.

The writer says that with global media conglomerates now acting as powerful political actors, the profitable returns of the culture industry-be they musicians, film and TV stars, or all three-are now integral to the hegemony of neo-liberalism. Capital "takes the risk out of democracy" (Carey, 1997) by replacing thoughtful public discourse with corporate propaganda and promotion. However, while celebrity promotional culture is often intimately related to propaganda (Alford, 2010; Peck, 2008), perhaps its most enduring utility lies in its ability to legitimize

and promote “humanitarian” interventions, giving a human face to the depredations of transnational capital. Drawing upon the liberal proclivities of a handful of the talented entertainers, such as Oprah Winfrey, Wyclef Jean, Bono, Angelina Jolie, Demi Moore, Madonna, George Clooney, and others who have worked their way to the top of the culture industry, power elites meld their celebrity status to their own agendas. Then there are celebrity capitalists such as Bill Gates and Warren Buffett, who enjoy the favorable epithet of philanthropist. The benevolent rhetoric of humanitarianism puts a sparkle on charitable aid givers, while aggressive corporate behavior in poor countries largely goes unheeded (Bricmont, 2007), shielded by a lack of media scrutiny.

The larger discourse of human rights and democracy assistance has always provided stellar rhetorical cover for all manner of unjust state and corporate policies, even more so in the post-Soviet era.

Organisations such as the National Endowment for Democracy (established in the United States in 1983) were created to overtly carry out the anti-democratic actions (e.g., destabilisation) that were formerly undertaken covertly by the Central Intelligence Agency (CIA). In the U.K. its equivalent organization is the Westminster Foundation for Democracy. With Orwellian instrumentalism, “democracy” is rendered as a low-intensity market-based notion of democracy that prevails against the best interests of a global public—and without a hint of criticism from the mainstream media (Sussman, 2005).

Barker further says that in many ways, the work undertaken by such government-funded “non-governmental” organisations (NGOs) was modeled upon the longstanding philanthropic work of not-for-profit corporations, otherwise known as foundations. And while right-wing foundations played an integral role in financing the neo-liberal revolution, liberal foundations, such as Ford, Rockefeller, and Carnegie, also worked to promote neo-liberalism, and did so through a subtle process of co-opting what would otherwise have been its progressive dissenters.

The writer says that the use of humanitarian aid by Western donor organisations in the pursuit of geo-strategic interests is well documented. Western governments do not donate food out of generosity; rather their food distribution networks are considered to be an integral weapon through which they promote their foreign policies

and secure economic access to the targeted region. John F. Kennedy explicitly made the manipulation of foreign aid a strategic aspect of foreign policy (see Sussman & Lent, 1991, p. 4). George (1976, p. 193) points out how Herbert Hoover, working through allied "relief" agencies, was the "first modern politician to look upon food as a frequently more effective means of getting one's own way than gunboat diplomacy or military intervention." Hoover's use of food aid as a weapon was initially developed during and after World War I, and his notable success in this project led to his coordinating American relief in Europe after World War II. In the latter instance, Hoover institutionalized his "humanitarian" operations by bringing various civic, religious, charitable, and farm groups together in 1945 under an umbrella body known as the Cooperative for American Remittances to Europe-now simply known as CARE (Carnoy & Levison, 1974, p. 122). This selective provision of food aid through ostensibly independent bodies like CARE provided a valuable means of promoting hegemonic relations in the world and has been utilized in that way ever since (Schwartz, 2008).

Barker says that the king of contemporary rock, Bono, who in 2005, together with Bill and Melinda Gates, was voted Time magazine's "person of the year." Bono has a long interest in working within the aid industry. Not only did he sing on the initial Band Aid track (and played at the Live Aid gig in 1985), but he subsequently went on to volunteer for 6 weeks at an orphanage in Ethiopia. Bono's open commitment to Christian missionary work was then put on hold until 1997 when he became a spokesperson for a church-based coalition known as Jubilee 2000, which campaigned to cancel Third World debt. The long-standing president of Jubilee 2000, Michael Taylor, formerly served as the head of Christian Aid for twelve years (1985 to 1997), and from 2001 to 2004 he acted as the director of the World Faiths Development Dialogue-a group that had been set up in 1998 by the then-Archbishop of Canterbury, Lord Carey of Clifton, and the head of the World Bank, James Wolfensohn, a powerful cleric capitalist combo. Eventually, Bono's education was taken over by economist Jeffrey Sachs." Bono was pioneering new ground within the realm of celebrity activism, moving from the former archetypal celebrity-as-fundraiser to the realm of celebrity-as-lobbyist (for corporate wealth, not people power) (Tyrangiel, 2005). To this day Bono maintains close ties to Sachs, and with George Soros and BP's latest chairman, Carl-Henric Svanberg, he sits on the advisory board of

Sachs's free-market environmental research group, the Earth Institute. The writer says that Celebrity activists of the "humanitarian" brand identified in this chapter actually represent, contrary to their cultivated image, a threat to democracy worldwide. Through their widely publicized good work with the world's leading financial elites-who in turn are tied in with powerful media corporations and philanthropic (non-profit) corporations-celebrity-philanthropists help foster social exploitation throughout the African continent, even while undertaken in the rhetoric of "peace" and "justice." This manipulation of the body politic by the culture industry is not a new phenomenon. What's different is that the agents of neo-liberalism are now able to employ more sophisticated forms of propaganda in their cynical abuse of public sentiment.

In answer to the question-what to do? He says that to begin with, we need to decertify the misleading representations of catastrophes, such as they are regularly reported in the mainstream media, and actively work to publicize and address the root causes, not the symptoms, of such disasters, which are embedded in the neocolonial system of Western aggression (and support for domestic aggression) on the continent. To help more people to understand how human crises can be averted in the future requires a commitment to exposing the falsehoods and negative consequences that the celebrity-foundation-media complex and neo-liberal order exerts over society. In equal measure we can also encourage and support alternative media in the form of locally produced films, video, and other informational and cultural networks as well as celebrate the ingenuity of small budget productions and help nurture local talent (producers, directors, writers, actors, set designers, web site creators, and the like). In this way we can ensure that in the future we will have an entertainment structure that fosters participation and diversity (and that benefits the majority of citizens) instead of apathetic spectatorship and celebrity worship. The former strengthens democracy; the latter can only weaken it.

In **chapter 8** under the title '**The Politics of Language and the Language of Political Regression**' the writer **James Petras** says that Capitalism and its defenders maintain dominance through the 'material resources' at their command, especially the state apparatus, and their productive, financial and commercial enterprises, as well as through the manipulation of popular consciousness via ideologues, journalists,

academics and publicists who fabricate the arguments and the language to frame the issues of the day.

He says that today material conditions for the vast majority of working people have sharply deteriorated as the capitalist class shifts the entire burden of the crisis and the recovery of their profits onto the backs of wage and salaried classes. One of the striking aspects of this sustained and ongoing roll-back of living standards is the absence of a major social upheaval so far. Greece and Spain, with over 50% unemployment among its 16-24 year olds and nearly 25% general unemployment, have experienced a dozen general strikes and numerous multi-million person national protests; but these have failed to produce any real change in regime or policies. The mass firings and painful salary, wage, pension and social services cuts continue. In other countries, like Italy, France and England, protests and discontent find expression in the electoral arena, with incumbents voted out and replaced by the traditional opposition. Yet throughout the social turmoil and profound socio-economic erosion of living and working conditions, the dominant ideology informing the movements, trade unions and political opposition is reformist: issuing calls to defend existing social benefits, increase public spending and investments and expand the role of the state where private sector activity has failed to invest or employ. In other words, the left proposes to conserve a past when capitalism was harnessed to the welfare state.

The problem is that this 'capitalism of the past' is gone and a new more virulent and intransigent capitalism has emerged, forging a new worldwide framework and a powerful entrenched state apparatus immune to all calls for 'reform' and reorientation. The confusion, frustration and misdirection of mass popular opposition is, in part, due to the adoption by leftist writers, journalists and academics of the concepts and language espoused by its capitalist adversaries: language designed to obfuscate the true social relations of brutal exploitation, the central role of the ruling classes in reversing social gains and the profound links between the capitalist class and the state. Capitalist publicists, academics and journalists have elaborated a whole litany of concepts and terms which perpetuate capitalist rule and distract its critics and victims from the perpetrators of their steep slide toward mass impoverishment. Even as they formulate their critiques and denunciations, the critics of capitalism use the language and concepts of its apologists. Insofar as the language of capitalism has entered

the general parlance of the left, the capitalist class has established hegemony or dominance over its erstwhile adversaries. Worse, the left, by combining some of the basic concepts of capitalism with sharp criticism, creates illusions about the possibility of reforming 'the market' to serve popular ends.

The writer says that this fails to identify the principal social forces that must be ousted from the commanding heights of the economy and the imperative to dismantle the class-dominated state. While the left denounces the capitalist crisis and state bailouts, its own poverty of thought undermines the development of mass political action. In this context the 'language' of obfuscation becomes a 'material force' - a vehicle of capitalist power, whose primary use is to disorient and disarm its anti-capitalist and working class adversaries. It does so by co-opting its intellectual critics through the use of terms, conceptual framework and language which dominate the discussion of the capitalist crisis.

In this context the writer points out that Euphemisms have a double meaning: what terms connote and what they really mean. Euphemistic conceptions under capitalism connote a favorable reality or acceptable behavior and activity totally dissociated from the aggrandizement of elite wealth and concentration of power and privilege. Euphemisms disguise the drive of power elites to impose class specific measures and to repress without being properly identified, held responsible and opposed by mass popular action. The most common euphemism is the term 'market', which is endowed with human characteristics and powers. As such, we are told 'the market demands wage cuts' disassociated from the capitalist class.

He further says that when discussing and analyzing 'markets' and to make sense of the transactions (who benefits and who loses), one must clearly identify the principal social classes dominating economic transactions. To write in general about 'markets' is deceptive because markets do not exist independent of the social relations defining what is produced and sold, how it is produced and what class configurations shape the behavior of producers, sellers and labor. Today's market reality is defined by giant multi-national banks and corporations, which dominate the labor and commodity markets. To write of 'markets' as if they operated in a sphere above and beyond brutal class inequalities is to hide the essence of contemporary class relations. Fundamental to any understanding, but left out of contemporary discussion, is the

unchallenged power of the capitalist owners of the means of production and distribution, the capitalist ownership of advertising, the capitalist bankers who provide or deny credit and the capitalist-appointed state officials who 'regulate' or deregulate exchange relations. The outcomes of their policies are attributed to euphemistic 'market' demands which seem to be divorced from the brutal reality.

Therefore, as the propagandists imply, to go against 'the market' is to oppose the exchange of goods: This is clearly nonsense. In contrast, to identify capitalist demands on labor, including reductions in wages, welfare and safety, is to confront a specific exploitative form of market behavior where capitalists seek to earn higher profits against the interests and welfare of majority of wage and salaried workers.

The writer says that one of the most common euphemisms thrown about in the midst of the present economic crisis is 'austerity', a term used to cover-up the harsh realities of draconian cutbacks in wages, salaries, pensions and public welfare and the sharp increase in regressive taxes (VAT). 'Austerity' measures mean policies to protect and even increase state subsidies to businesses, and create higher profits for capital and greater inequalities between the top 10% and the bottom 90%. 'Austerity' implies self-discipline, simplicity, thrift, saving, responsibility, limits on luxuries and spending, avoidance of immediate gratification for future security – a kind of collective Calvinism. It connotes shared sacrifice today for the future welfare of all. However, in practice 'austerity' describes policies that are designed by the financial elite to implement class-specific reductions in the standard of living and social services (such as health and education) available for workers and salaried employees. It means public funds can be diverted to an even greater extent to pay high interest rates to wealthy bondholders while subjecting public policy to the dictates of the overlords of finance capital. Rather than talking of 'austerity', with its connotation of stern self-discipline, leftist critics should clearly describe ruling class policies against the working and salaried classes, which increase inequalities and concentrate even more wealth and power at the top. 'Austerity' policies are therefore an expression of how the ruling classes use the state to shift the burden of the cost of their economic crisis onto labor.

James Petras says that the ideologues of the ruling classes co-opted concepts and terms, which the left originally used to advance improvements in living standards and turned them on their heads. Two

of these euphemisms, co-opted from the left, are 'reform' and 'structural adjustment'. 'Reform', for many centuries, referred to changes, which lessened inequalities and increased popular representation. 'Reforms' were positive changes enhancing public welfare and constraining the abuse of power by oligarchic or plutocratic regimes. Over the past three decades, however, leading academic economists, journalists and international banking officials have subverted the meaning of 'reform' into its opposite: it now refers to the elimination of labor rights, the end of public regulation of capital and the curtailment of public subsidies making food and fuel affordable to the poor. In today's capitalist vocabulary 'reform' means reversing progressive changes and restoring the privileges of private monopolies. 'Reform' means ending job security and facilitating massive layoffs of workers by lowering or eliminating mandatory severance pay. 'Reform' no longer means positive social changes; it now means reversing those hard fought changes and restoring the unrestrained power of capital. It means a return to capital's earlier and most brutal phase, before labor organizations existed and when class struggle was suppressed. Hence 'reform' now means restoring privileges, power and profit for the rich.

In a similar fashion, the linguistic courtesans of the economic profession have co-opted the term 'structural' as in 'structural adjustment' to service the unbridled power of capital. As late as the 1970's 'structural' change referred to the redistribution of land from the big landlords to the landless; a shift in power from plutocrats to popular classes. 'Structures' referred to the organization of concentrated private power in the state and economy. Today, however, 'structure' refers to the public institutions and public policies, which grew out of labour and citizen struggles to provide social security, for protecting the welfare, health and retirement of workers. 'Structural changes' now are the euphemism for smashing those public institutions, ending the constraints on capital's predatory behavior and destroying labour's capacity to negotiate, struggle or preserve its social advances. 'Structural adjustment' masks a systematic assault on the people's living standards for the benefit of the capitalist class.

He further points out that the capitalist class has cultivated a crop of economists and journalists who peddle brutal policies in bland, evasive and deceptive language in order to neutralize popular opposition. Unfortunately, many of their 'leftist' critics tend to rely on the same

terminology.

Towards the end of the chapter, the writer concludes that language, concepts and euphemisms are important weapons in the class struggle 'from above' designed by capitalist journalists and economists to maximize the wealth and power of capital. To the degree that progressive and leftist critics adopt these euphemisms and their frame of reference, their own critiques and the alternatives they propose are limited by the rhetoric of capital. Putting 'quotation marks' around the euphemisms may be a mark of disapproval but this does nothing to advance a different analytical framework necessary for successful class struggle 'from below'. Equally important, it side-steps the need for a fundamental break with the capitalist system including its corrupted language and deceptive concepts. Capitalists have overturned the most fundamental gains of the working class and we are falling back toward the absolute rule of capital. This must raise anew the issue of a socialist transformation of the state, economy and class structure. An integral part of that process must be the complete rejection of the euphemisms used by capitalist ideologues and their systematic replacement by terms and concepts that truly reflect the harsh reality, that clearly identify the perpetrators of this decline and that define the social agencies for political transformation.

In **chapter 9** under the heading **Neo-liberal Hegemony and the Organization of Consent** of **part 3** titled **Co-opting Dissent**, the writers **William K. Carroll** and **Matthew Greeno** say that by the 1980s, the discourse had shifted substantially to 'sustainable development' as the mainstream environmental movement embraced the free market. Today's carbon taxes and carbon trading schemes are the legacy of the notion of sustainable development and an explicitly capitalist environmentalism. Environmentalism has been co-opted; indeed, mainstream corporate environmentalism helps disable more radical ideas. But it is by no means the only movement that has suffered this fate; another is the labour movement. A major force for social transformation in the 19th and early 20th centuries, labour (specifically in the global North) traded its radicalism for membership in the consumer-capitalist 'affluent society' of the second half of the 20th century, and has been hobbled in recent decades by the internationalization of labour markets, among other factors. Each of these movements have largely accepted capitalist growth as an imperative and presumed that progressive

politics could be added 'on top' of the basic structure.

The writers say that capital accumulation is commonly called 'economic growth' but regardless of the terminology, it is capitalism's driving force. Without growth, capitalism spirals downward, in crisis. Companies reduce their workforces, and this in turn shrinks the overall demand for goods and services and the tax revenues that governments collect. If prospects for growth flag, capitalists hold back from investment, further amplifying the crisis. In 2008, it was this meltdown scenario of underinvestment/ under-consumption that led many of the world's governments to provide banks and corporations with billions in public money to erase bad debt and encourage further investment. Having bailed out corporate capital in its moment of global crisis, the same governments now insist on austerity for the masses as a means of paying the bail-out bill.

The writers further say that various programs that institutions create to support the continued capital accumulation embody neoliberal capitalist hegemony, which is based around the norm of an unfettered free market. In short, capitalist hegemony creates a material basis for its own reproduction while securing a manner of cohesion around the market. Amid an ongoing global economic and ecological crisis, the question of hegemony looms larger than perhaps at any time since the Great Depression of the 1930s, yet the challenges of constructing a political alternative to the rule of capital seem more daunting than ever.

The writers focus on the three 'mechanisms' that underlie neoliberal hegemony: cultural fragmentation; market insulation and dispossession; and globalization from above. In combination, these mechanisms disorganize, disable and defang movements.

Hegemony is often conceptualized as a condition of cultural and political consensus, yet today one of its most important bases is the cultural fragmentation that issues from advanced consumer capitalism as a way of life, particularly in the global North. The full flowering of consumer capitalism has brought the commodification of everyday life, including culture. Beginning in the 1970s, aided by information technologies, corporations in the global North began to produce not only for mass consumer markets but for niche markets. This meant more than a shift in business strategy. Over time, it fragmented culture into many pieces, each of which can be cultivated and exploited for its commercial value.

Each subculture and identity group offers a niche market to corporate capital. As market principles invade culture they absorb and commodify the voices of subjugated groups within the chain of production and consumption.

The writers conclude that the prioritization of the market links the practices and projects to the deeper structures of transnational neo-liberal capitalism. Throughout cultures of the Global North, it naturalizes market relations and infuses them into an organization of consent that operates both locally and globally. This hegemonic system tends to co-opt dissenting groups through commodification of subcultures and the active expansion of neoliberal projects that limit politics to 'what works' within an increasingly international and privatized economic framework. Yet this is an unstable, crisis-ridden way of life. The paradigm shift has accomplished only a thin hegemony and weak basis for social cohesion.

Neo-liberal hegemony's key elements - cultural fragmentation, dispossession and market insulation, and globalization-from-above – do not comprise a singular project created from a conspiracy to construct a new world order. Instead, these elements have come together as an assemblage. What unites them is the support they provide for a certain form of capitalism. Commodification, deregulation, and the expanding transnational reach of accumulation together enable a lifestyle of affluence for the elect, and the semblance of that lifestyle for affluent segments of the working class in the global North. However, the social and ecological base for this assemblage is shrinking. Capital makes allegiances of convenience and may abandon them during times of crisis; this has been the fate of organized labour in the North. Less favoured groups are actively repressed in the interest of capital accumulation and demonized in the corporate media as welfare cheats, illegal migrants, treacherous environmentalists, overpaid unionized labour and violent radicals. Eco-systems at varying scales also are harmed through capital's endless expansion, whose effects include resource depletion, pollution, species loss and most significantly, climate change.

In short, the system tends to undermine its own human and natural infrastructure while sharpening social inequities.

None of the hegemonic mechanisms we have reviewed here hold a lock upon popular consciousness. Indeed, particularly since the rise of alter-

globalization politics in the 1990s, social movements and communities across the globe have resisted neo-liberalism while attempting to construct new paths to an alternative future. Although the question of how to transform the global structure remains to be answered, our analysis suggests several important points worth considering to avoid the trail of co-optation:

Each of the mechanisms we have discussed tends to disorganize the opposition and to recruit support for the current regime of transnational neo-liberal capitalism. Democratic movements need to counter them with an alternative social vision that inspires people to struggle for a better world. But constructing such a counter-hegemony does not mean simply reversing or inverting the dominant perspective.

In the case of cultural fragmentation, democratic movements need to foster political organisation, discussion and networking across and within the different stands of activism, North and South, without repressing cultural difference. Diversity and solidarity must be core values of any post-capitalist world.

In the case of neo-liberal insulation of economics from politics, democratic movements need both to demand the democratization of economic life and to put such demands into practice by creating participatory-democratic alternatives, as in co-operatives, participatory budgeting and the like. Likewise, effective responses to dispossession and privatization need both to insist on the value of public goods as a basis for democracy itself and to create new commons, as in cyber activist open-source initiatives and the land invasions of Brazil's landless workers' movement (MST).

Finally, in response to globalization-from-above, democratic movements need to build upon the globalization-from-below exemplified by movements like La Via Campesina, but they also need to ensure that any engagement with the existing organizations of global governance, such as the UN institutions, is conducted with critical awareness of their power. The UN institutions, particularly those involved in development, aid or so-called 'democracy promotion' are themselves mechanisms of co-optation, and have swallowed up and diverted the paths of many well-meaning NGOs and social movements.

Any engagement with these institutions is perilous, and must proceed from an insistence on their democratization and extrication from

the global nexus of elite and corporate power. Enacting this risky form of engagement requires that movements retain at their core a commitment to democratic practice (again, La Via Campesina offers an example) while building alliances with other democratic actors at the international level. At the same time, local bases for activism need to be cultivated: globalization-from-below can only develop from democratic initiatives at the grassroots.

The writers say that in our view, the most compelling counter-hegemonic vision that can respond to the deepening economic and ecological crisis of our time is what Foster and Magdoff have called sustainable human development": a transformation in community, culture and economy that reduces humanity's ecological footprint while producing "enough for everyone, and no more." Valuing human thriving and ecological health rather than unsustainable capital accumulation, this vision provides a basis for both North-South solidarity and solidarity across the domains of social and environmental justice. The challenge for activists is to find, or create, pathways in the present toward this alternative future.

In **chapter 11** titled **Do Capitalists Fund Revolutions?**, the writer **Michael Barker** says that capitalists have financially supported two types of revolution: they have funded the neo-liberal revolution to "take the risk out of democracy" and they have supported/hijacked popular revolutions (or in some cases manufactured 'revolutions') in countries of geostrategic importance (i.e. in countries where regime change is beneficial to transnational capitalism). The former neo-liberal revolution has, of course, been funded by a hoard of right wing philanthropists' intent on neutralizing progressive forces within society, while the latter 'democratic revolutions' are funded by an assortment of 'bipartisan' quasi- non-governmental organizations, like the National Endowment for Democracy (NED), and private institutions like George Soros' Open Society Institute.

He further says that the underlying mechanisms by which capitalists hijack popular revolutions have been outlined in William I. Robinson's seminal book, *Promoting Polyarchy: Globalization, US Intervention, and Hegemony* (1996), which examines elite interventions in four countries - Chile, Nicaragua, the Philippines, and Haiti.³ Robinson hypothesized that as a result of the public backlash (in the 1970s) against the US government's repressive and covert foreign policies,

foreign policy making elites elected to put a greater emphasis on overt means of overthrowing 'problematic' governments through the strategic manipulation of civil society. In 1984, this 'democratic' thinking was institutionalised with the creation of the National Endowment for Democracy, an organisation that acts as the coordinating body for better funded 'democracy promoting' organisations like US Agency for International Development and the Central Intelligence Agency. Robinson observes that: ... the understanding on the part of US policymakers that power ultimately rests in civil society, and that state power is intimately linked to a given correlation of forces in civil society, has helped shape the contours of the new political intervention. Unlike earlier interventionism, the new intervention focuses much more intensely on civil society itself, in contrast to formal government structures, in intervened countries. The purpose of 'democracy promotion' is not to suppress but to penetrate and conquer civil society in intervened countries, that is, the complex of 'private' organizations such as political parties, trade unions, the media, and so forth, and from therein, integrate subordinate classes and national groups into a hegemonic transnational social order... This function of civil society as an arena for exercising domination runs counter to conventional (particularly pluralist) thinking on the matter, which holds that civil society is a buffer between state domination and groups in society, and that class and group domination is diluted as civil society develops. Thus it is not too surprising that Robinson should conclude that the primary goal of 'democracy promoting' groups, like the NED, is the promotion of polyarchy or low-intensity democracy over more substantive forms of democratic governance.⁵ Here it is useful to turn to Barry Gills, Joen Rocamora, and Richard Wilson's work which provides a useful description of low-intensity democracy, they observe that: Low Intensity Democracy is designed to promote stability. However, it is usually accompanied by neoliberal economic policies to restore economic growth. This usually accentuates economic hardship for the less privileged and deepens the short-term structural effects of economic crisis as the economy opens further to the competitive winds of the world market and global capital. The pains of economic adjustment are supposed to be temporary, preparing the society to proceed to a higher stage of development. The temporary economic suffering of the majority is further supposed to be balanced by the benefits of a freer democratic political culture. But unfortunately for them, the poor and dispossessed cannot eat votes! In

such circumstances, Low Intensity Democracy may 'work' in the short term, primarily as a strategy to reduce political tension, but is fragile in the long term, due to its inability to redress fundamental political and economic problems.

Michael Barker says that while capitalists appear happy to fund the neo-liberal 'revolution', or geo-strategic revolutions that promote low-intensity democracy, the one revolution that capitalists will not bankroll will be the revolution at home, that is, here in our Western (low-intensity) democracies: a point that is forcefully argued in INCITE! Women of Color Against Violence's book *The Revolution Will Not Be Funded*.

Of course, liberal-minded capitalists do support efforts to 'depose' radical neo-conservatives, as demonstrated by liberal attempts to oust Bush's regime by the Soros-backed Americans Coming Together coalition. But as in NED-backed strategic 'revolutions', the results of such campaigns are only ever likely to promote low-intensity democracy, thereby ensuring the replacement of one (business-led) elite with another one (in the US's case with the Democrats).

So the question remains: can progressive activists work towards creating a more equitable (and participatory) world using funding derived from those very groups within society that stand to lose most from such revolutionary changes? The obvious answer to this question is no. Yet, if this is the case, why are so many progressive (sometimes even radical) groups accepting funding from major liberal foundations (which, after all, were created by some of most successful capitalists)?

The writer says that several reasons may help explain this contradictory situation. Firstly, it is well known that progressive groups are often underfunded, and their staff overworked, thus there is every likelihood that many groups and activists that receive support from liberal foundations have never even considered the problems associated with such funding. If this is the case then hopefully their exposure to the arguments presented in this article will help more activists begin to rethink their unhealthy relations with their funders. On the other hand, it seems likely that many progressive groups understand that broader goals and aspirations of liberal foundations seem that many progressive organizations believe that they can beat the foundations at their own game and trick them into funding projects that will promote a truly progressive social change. Here it is interesting to note that

paradoxically some radical groups do in fact receive funding from liberal foundations. And like those progressive groups that attempt to trick the foundations, many of these groups argue that will take money from anyone willing to give it so long as it comes with no strings attached. These final two positions are held by numerous activist organizations, and are also highly problematic. This is case because if we can agree that it is unlikely that liberal foundations will fund the much needed societal changes that will bring about their own demise, why do they continue funding such progressive activists?

The writer quotes Gills, Rocamora, and Wilson suggestion that: Democracy requires more than mere maintenance of formal 'liberties'. In fact, they argue that the only way to advance democracy in the Third World , or anywhere else, is to increase the democratic content of formal democratic institutions through profound social reform. Without substantial social reform and redistribution of economic assets, representative institutions - no matter how 'democratic' in form - will simply mirror the undemocratic power relations of society. Democracy requires a change in the balance of forces in society. Concentration of economic power in the hands of a small elite is a structural obstacle to democracy. It must be displaced if democracy is to emerge. In essence, one of the most important steps activists can take to help bring about truly progressive social change is to encourage the development of a politically active citizenry -that is, a public that participates in democratic processes, but not necessarily those promoted by the government. Furthermore, it is also vitally important that groups promoting more participatory forms of democracy do so in a manner consistent with the participatory principles they believe in.

Michael Albert is an influential theorist of progressive politics, and he has written at length about transitional strategies for promoting participatory democracy. Albert observed that : "A truly democratic community ensured that the general public has the opportunity for meaningful and constructive participation in the formation of social policy".

The writer says that he feels that in order to move towards a new participatory world order it is vitally important that progressive activists engage in radical critics of society. He further says that undertaking such radical action may be problematic for some activists, because unfortunately the word radical is often used by the corporate media as

a derogatory term for all manner of activists. Yet this hijacking of the term perhaps make it even more crucial task that progressives work to reclaim this word as their own, so they can inject it back into their own work and analyses.

Regarding the role of liberal foundation towards bringing social change the writer Michael Barker says that liberal philanthropy, which has been institutionalized within liberal foundation, arose in the face violent labour wars of the late nineteenth century that "directly threatened the economic interest of the philanthropists". He quotes Nicolas Guilhot – "Liberal philanthropists realized that social reform was unavoidable, (and instead) shows to invest in the definition and scientific treatment of the 'social questions' of their time: urbanization, education, housing, public hygiene, the 'Negro problem' etc. Far from being resistant to social change, the philanthropists promoted reformist solutions that did not threaten the capitalistic nature of the social order but constituted a 'private alternative to socialism'.

The writer further says that writing in 1966, Carroll Quigley – who happen to be one of Bill Clinton's mentors – elaborates on the motivations driving the philanthropic colonization of progressive social change: "More than fifty years ago [circa 1914] the Morgan firm decided to infiltrate the Left-wing political movements in the United states. This was relatively easy to do, since these groups were starved for funds and eager for a voice to reach the people. Wall Street supplied both. The purpose was not to destroy, dominate, or take over but was three-folds: first, to keep inform about the thinking of Left-wing or liberal groups; second, to provide them with a mouth-piece so that they could 'blow off steam', and third, to have a final veto on their publicity and possibly on their actions, if they ever went 'radical'. What was important was that it was the combination of its adoption by the dominant Wall Street financier, at a time when tax policy was driving all financiers to seek tax-exempt refuges for their fortunes, and at a time when the ultimate in Left-wing radicalism was about to appear under the banner of the Third International.

The writer says that given elitist history of liberal foundation it is not surprising that writers like Arnoye and Pinede note that although the Carnegie, Rockefeller, and Ford Foundations' "claim to attack the root causes of the ills of humanity, they essentially engage in ameliorative practices to maintain social and economic systems that generate the very inequalities and injustices they wish to correct." The writer further

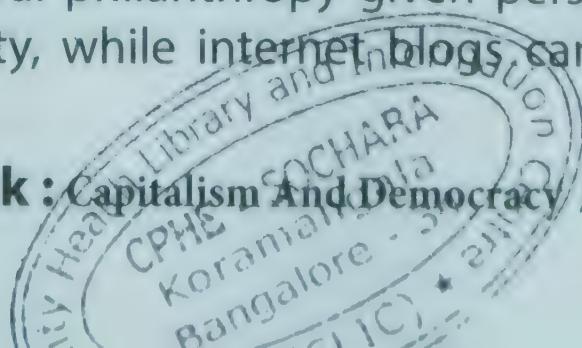
says that contrary to popular beliefs amongst progressives, much evidence supports the contention that liberal philanthropists and their foundations have been very influential in shaping contours of Americans as well as global civil society, actively influencing social change through process alternatively referred to as either channeling or co-option.

Michael Baker further says that as a result of the lack of critical inquiry into the influence of liberal philanthropy on progressive organizations, liberal foundations have quietly insinuated their way into the heart of the global social justice movement, having played a key role in founding the World Social Forum (WSF). Furthermore, it is not surprising that, when critiques of the WSF are made, they tend to be met with a resounding silence by progressive activists and their media (most of which have been founded and funded by liberal foundations. As the Research Unit for Political Economy astutely observes, the WSF "constitutes an important intervention by foundations in social movements internationally" because (1) many of the NGO's attending the WSF obtain state and/or foundation funding, and (2) "the WSF's material base - the funding for its activity - is heavily dependent on foundations." Although, the WSF India committee's decision to disavow funds from certain institutions marked a victory for the critics of the WSF, it did not really resolve the issue. If the organizers disavowed funds from these sources on principle (rather than merely because uncomfortable questions were raised), it is difficult to understand why the prohibition did not extend as well to organizations funded by them. This left scope for the WSF to accept funds from organizations funded in turn by Ford. Moreover... the bulk of the WSF's expenses are borne by participating organizations, many of which are in turn funded by Ford and other such 'barred' sources.

The writer further says that given the historical overview of liberal foundations presented in this article it is uncontroversial to suggest that liberal philanthropists – who also support elite planning groups - will not facilitate the massive radical social changes that will encourage the global adoption of participatory democracy. Towards the end, he says that it is clear that the barriers to spreading the word about liberal philanthropy's overt colonization of progressive social change are large but they are certainly not insurmountable to dedicated activists. There are still plenty of alternative media outlets that should be willing to distribute trenchant critiques of liberal philanthropy given persistent pressure from the activist community, while internet blogs can also

PCL-100
DIS
154-23

Infopack : Capitalism And Democracy // 101



supplement individual communicative efforts to widen the debate. If activists fail to address the crucial issue of liberal philanthropy now, this will no doubt have dire consequences for the future of progressive activism - and democracy more generally - and it is important to recognise that liberal foundations are not all powerful and that the future, as always, lies in our hands and not theirs.

In **chapter 12** under the title **Strange Contours: Resistance and the Manipulation of People Power**, the writer **Edmund Berger** says that though it may certainly seem like it, this essay was not written to belittle the OWS movement, or attack the actions of those who stood in opposition to Milosevic, apartheid, or Mubarak. However, it was my intention to acknowledge the shortcomings in the aftermath of these fights - Serbia and South Africa both jumped into bed with the IMF, imposing austerity measures in their nations that allowed persistent poverty to fester and even continue to grow. Egypt is certainly following suit now, so even though the brutal fist of the American-backed regime is gone, the slow-burning fires of neo-liberalism continue to carry on the torch. For Serbia and Egypt, their revolts, though brilliant displays of the potential of people power, were in no small part shaped by the technicians in State Department, operating through the long arm of the NED. For South Africa, money from George Soros ended up in the coffers of activist groups who quickly changed their tune from the ANC's quasi-socialist demands to jump starting South African neo-liberalism. Not surprisingly, these same groups showed a willingness to work closely with the NED.

The writer says that the NED, much like Soros' civil society empowering programs, promotes a little known methodology called low-intensity democracy. Low-intensity democracies are limited democracies in that they achieve important political changes, such as the formal reduction of the military's former institutional power or greater individual freedoms, but stop short in addressing the extreme social inequalities within... societies... they provide a more transparent and secure environment for the investments of transnational capital... these regimes function as legitimizing institutions for capitalist states, effectively co-opting the social opposition that arises from the destructive consequences of neoliberal austerity, or as Cyrus Vance and Henry Kissinger have argued, the promotion of 'pre-emptive' reform in order to co-opt popular movements that may press for more radical, or

even revolutionary, change.

Thus, it can be considered to be worrisome that individuals who were trained under institutions that implement this system are turning up at OWS (Occupy wall street) rallies. While the NED's agenda is to establish low-intensity democracies around the world, this is precisely the type of governance that we are dealing with in the United States, the very system that produced the antagonism found in both the Tea Party and OWS. To consent to it would be a rejection of the spirit of the protest and an embrace of what is opposes. It is the Democrat Party that could possibly represent this system even more so than the Republicans. It is the party of Social Security, government-provided medical care, and other welfare programs. Does this function of the party not dim and obfuscate the fact that it is also the party of bail-outs and NAFTA? Realizing this simple fact is paramount to creating a movement of legitimate change in the world; we must seek to deconstruct low-intensity democracy and replace it with Really Existing Democracy. We have already seen this functioning in a micro-sense at OWS rallies, where leadership positions are voluntary and voted in by the whole of the people. Decisions are made in a similar matter, putting the course of action and the direction of the movement in its entirety in the hands of the protestors, not in bureaucrats and moneymen with agendas of their own. It is organic and autonomous, and on an international level holds to be what Gilles Deleuze and Félix Guattari referred to as a 'rhizome' - "a non-hierarchal and non-centered network structure".

In **chapter 16** titled **When Co-option Fails**, the writer **Tom Anderson** says that this article looks at UK governments' recent strategies to repress individuals, social movements and communities who try to remain unco-opted and uncontrolled, and at the ways in which this repression is legitimated via the ideological and material application of the 'rule of law' as a central, defining tenet of 'democracy'. It explores how the ability to define 'legal' and 'illegal' provides a crucial means by which political dissent is channelled into 'legitimate' forms which do not fundamentally threaten capitalist interests, while dissent which cannot be channelled or co-opted is criminalised and rendered illegitimate, pernicious and therefore deserving of repression. This article also looks at the state in the UK's strategies towards those who engage in acts of dissent over, roughly, the last 30 years. The terms 'dissent' and 'act of dissent' are used here to describe all actions aimed at altering the current status quo.

Anderson says that the British government, like all liberal 'democracies', frequently proclaims itself a defender of freedom of expression and assembly. However, this is usually accompanied by the words 'rule of law'. This provides a get-out clause, enabling governments to justify the repression of the same political freedoms they claim to defend. Since this 'rule of law' is created and developed by governments and the judicial system, it ensures governments can devise new ways with which to repress those who threaten state and corporate interests in response to changing circumstances and changing patterns of dissent. In this way the 'rule of law' serves to protect capitalist interests, in the name of public order, security and democracy. By using labels such as 'terrorist' and 'domestic extremist', particular forms of activity can be cast as beyond the pale, as having crossed the line from legitimate dissent into criminal activity. Meanwhile, activity which does not fundamentally challenge or disrupt the structures of capitalism can be promoted as proof of societies' 'democratic' nature. This power to set these lines of right and wrong, lawful and criminal in parliament and in the courts, and often by extension in the mainstream media and dominant discourses, are reserved for the state and justify its deployment of coercive strategies - including judicial punishments, repression and the use of violence - against those who threaten the interests of capitalist 'democracy'. In this way, the 'rule of law' serves a vital function in the organisation of consent and the protection of capitalism from the dissent that inevitably arises out of the structural inequalities that the capitalist system is predicated upon.

The writer says that in contemporary liberal 'democracies' it is claimed that the right to political dissent is protected and that dissent will only be punished if it is expressed through criminal means, and even then that punishment will be lawful and just. However, the rule of law does not always adequately serve the purpose of repressing forms of dissent which cannot be controlled and co-opted. As a result the state adopts strategies aimed at controlling and repressing even those who have not broken any law. Authorities justify these strategies by invoking the need to protect the public and prevent crime. These strategies include: the systematic undermining of dissent; smear campaigns against activist groups; the use of fear, threats and intimidation; and use of judicial and extrajudicial means of repression against political groups which can even contravene the rule of law.. By using labels such as 'terrorist' and

'domestic extremist', particular forms of activity can be cast as beyond the pale, as having crossed the line from legitimate dissent into criminal activity. Meanwhile, activity which does not fundamentally challenge or disrupt the structures of capitalism can be promoted as proof of societies' 'democratic' nature. This power to set these lines of right and wrong, lawful and criminal in parliament and in the courts, and often by extension in the mainstream media and dominant discourses, are reserved for the state and justify its deployment of coercive strategies - including judicial punishments, repression and the use of violence - against those who threaten the interests of capitalist 'democracy'. In this way, the 'rule of law' serves a vital function in the organisation of consent and the protection of capitalism from the dissent that inevitably arises out of the structural inequalities that the capitalist system is predicated upon..

Says Tom Anderson; It is possible to see the political nature of the rule of law in the legislative responses to conditions in which dissent cannot be co-opted and disrupts or challenges the operations of capitalism. In the UK there has been a marked acceleration over the past thirty years in the creation of new police powers and new criminal law, much of which has had the effect of realigning the parameters of lawful and unlawful dissent, criminalising forms of collective action which threaten capitalist interests, and promoting forms of dissent which do not. This is not to suggest that legislation is always made with the express purpose of curtailing dissent. The systems which protect the principles of private property and the primacy of private profit (such as the legal system or the media) are the aggregate results of tacit agreements and shared values that evolve over time, rather than the result of pre-planned, coordinated and coherent construction. The end product, nevertheless, is a legal system which overwhelmingly reflects corporate and elite interests, and serves to demonise and repress those who challenge them. One major new piece of legislation which has had a dramatic impact upon the management of dissent in the UK was Thatcher's Conservative government's Criminal Justice and Public Order Act (CJA), introduced in 1986 and refined and amended by the Major Government's 1994 Public Order Act. The protection of 'democracy' from terrorism was used as justification to restrict the right to silence 6 while convenient scapegoats such as Travelling communities, hunt saboteurs and organisers of raves were deployed to justify new repressive legislation,

such as the new offence of aggravated trespass, which serves to protect private property. However, despite these justifications, the provisions of the act were drawn up in response to the needs of various elite groups. The 1986 CJA, enacted by the Thatcher government, gave the police the power to restrict public gatherings and marches and allowed the police to make arrests for a variety of offences relating to speech, for example, language or behaviour likely to cause harassment, intimidation, alarm or distress under section 5 of the act. Section 5, in practice, has been used to restrict the shouting of political slogans at demonstrations,¹³ prevent animal rights activists from displaying placards depicting vivisection and for stepping on the flag of the USA outside an American air base. The Conservative Major government increased police powers further with the 1994 CJA, which created the new crime of aggravated trespass (trespass on land with the intent to disrupt lawful business) and expanded police powers to conduct searches. The introduction of the crime of aggravated trespass was particularly significant in consolidating the power of land owners as it allowed police, for the first time, to order trespassers to leave land, and potentially to charge them, if they were deemed to be disrupting 'lawful business'. Previously, the removal of trespassers had been a civil matter between the landlord and the occupier. The legislation originally only applied to trespass on land 'in the open air' as it was originally packaged as a measure to deal with hunt saboteurs. However, it was soon amended to apply inside buildings too, apparently in response to indoor anti-arms fair demonstrations and also to lobbying from groups close to the pharmaceutical industry, which had been targeted by the animal rights movement. Tony Blair's Labour government further amended the CJA by granting police powers to restrict marches and assemblies, reducing the number of people that can awfully constitute an illegal assembly from 20 to 2 and specifically authorising senior police officers to order the removal of masks for the first time.

The writer further says that extensive legislation has also been developed in order to control organised workers' movements, which can pose a threat to private profit and act as a restraint on, and potentially even a threat to the operations of capitalism. The potential for workers to organise effectively on issues like wages, conditions, hours or the business practices of their employers has long been legislated against. However, the Thatcher and Major governments did more than any

other governments since the Second World War to hamstring effective collective action in the workplace by erecting bureaucratic hurdles to and criminalising forms of collective action, while legislating to protect state approved, less effective trade union action. Between 1980 and 1993 six pieces of legislation had a dramatic effect on workers' struggles. These were the introduction of compulsory ballots before industrial action from 1984; the stipulation that these ballots must be postal from 1992, the introduction of cumbersome ballot procedures; the placing of restrictions on the use of union funds for political aims;³⁰ restrictions on picketing and the criminalisation of secondary action (sympathy picketing). The legislation has meant in practice that trade unions are only able to organise around specific issues of pay and conditions in specific workplaces rather than striking in sympathy with their fellow workers in other workplaces or challenging an employer's general business practices. For example it would be very difficult, due to the cumbersome procedures, for employees working for the same employer in different workplaces, facing job losses and a deterioration of working conditions resulting from their employers' strategy of privatisation to organize action against privatisation itself. The legislation also made trade unions that had taken 'unlawful' action under the new balloting procedures subject to large fines and ultimately to the sequestration of funds, as happened to the National Union of Mineworkers in 1984. In this way this legislation limited the potential of trade unions in the UK to act effectively for their members in securing better pay and conditions from employers and provided further protection for the interests of private business. This was part of the rhetoric propagated by Margaret Thatcher and others in the Conservative Party that the unions were a threat to democracy and had to be reined in. In 1984 Thatcher famously compared the war against the "enemy without" in the Falklands to the "enemy within", i.e. the trade union movement, which is "much more difficult to fight and more dangerous to liberty".

In **chapter 17** under the title **Infiltrated, Intimidated and Undermined: How Police Infiltration Can Mute Political Dissent**, writer **Tom Anderson** says that in 2010 a long-term environmental activist using the alias 'Mark Stone' was confronted and revealed to be an undercover police officer called Mark Kennedy. Since then, the tactic of police infiltration has received increased public and media attention. However, much of the debate has focused on the rights and wrongs of

this tactic in terms of what 'intelligence' was gleaned, whether it forms a cost-effective way of safeguarding law and order, and of whether these groups 'deserved' infiltration. What has been absent from the mainstream debate is an analysis of how police infiltration serves as a tool to undermine and even destroy activist networks, and to channel their actions away from forms of political activity which threaten capitalist interests. He says this examines the use of police infiltration to contain political dissent.

Although for obvious reasons exact figures are not available, it is fair to say that police infiltration of activist groups in the UK is more common than has previously been presumed and is certainly not limited to groups which engage in illegal activity. Indeed, when Mark Kennedy was ousted he claimed that he knew of fifteen other undercover operatives, four of whom were still in service. A 2012 report by the HM Inspectorate of Constabularies (HMIC), produced following the public outrage surrounding the 2010 revelations about undercover policing, indicates that undercover officers have been deployed by both the Special Demonstration Squad (SDS), and the National Public Order Intelligence Unit (NPOIU).

The writer says that most of these undercover police officers are accused of forming sexual relationships with activists while in their undercover personae. The activists concerned were under the impression that the men were committed activists and had no idea they were, in fact, paid police officers. The police have justified this behaviour in response to the public outcry over these relationships with reference to their utility in terms of gaining intelligence: one undercover officer explains that officers used sex as a "tool" to maintain cover and "glean information". The 2012 HMIC report called these relationships "collateral intrusion" and suggested that officers should weigh up whether the "intrusion" is proportionate to the intelligence uncovered.

A crucial factor to consider in relation to undercover police officers is to the extent to which they are cleared by their superiors in the police force to break the law while undercover. This lawbreaking may be used as a strategy in discrediting movements and/or securing the arrest and possible convictions of activists, as well as a way to gain the trust of those groups they are infiltrating.

There is evidence that undercover officers have made false claims

about the activities of radical groups. Such claims may be motivated by a desire to heighten the perception of a threat to society posed by them in order to discredit them or to influence court proceedings. For example, Mark Kennedy is accused of fabricating allegations that French activists practiced constructing Improvised Explosive Devices (IEDs). Some of these activists were later arrested in the village of Tarnac and put under formal investigation for allegedly sabotaging high speed rail lines in 2008.

The writer says that the role of undercover officers in both undermining resistance and channeling the routes that it takes has been little explored in independent as well as mainstream media. However, it can be clearly seen as one of the ways in which the state attempts to avoid situations where resistance grows to levels it cannot easily control, at least not without resorting to coercive means. The presence of undercover police officers can help the police to shape and mould the activities of the groups that they have infiltrated. Undercover officers can also, as Jacobs did while infiltrating Cardiff Anarchist Network, undermine and disrupt political activity which challenges the system, and thus encourage other activists to refrain from doing the same.

In **chapter 18** under **Part 5** titled **Grassroots Globalization: Underneath the Rhetoric of "Democracy Promotion"**, the writer **Edmund Berger** says that the social unrest is not the creation of the State Department; instead, 'democracy promotion' generally piggy-backs pre-existing grassroots movements. This is born from a very real dependent relationship that movements have with NGOs: as Clifford Bob, a political science professor at Duquesne University has observed, "outside aid is literally a matter of life or death."

NGOs can raise awareness about little-known conflicts, mobilize resources for beleaguered movements, and pressure repressive governments." One of the more intriguing factors in 'democracy promotion' activities is the fact that Western backers, characteristically opposed to anything with even shades of socialism, frequently interact with leftwing movements. An excellent case in point was the Solidarity trade union movement in Poland, which successfully liberated the country from the Soviet sphere of control. While national independence was the primary goal of Solidarity, it envisioned sweeping reforms for the country more in line with early socialist philosophers than America's neo-liberal market economy. "We demand a self-governing democratic

reform at every management level and a new socio-economic system combining the plan, self-government, and the market." Even though the plan called for democratically operated worker co-operatives instead of corporate behemoths, participatory government structures and a regulated economy, aid came from the NED and Soros for the fledgling movement.

In the end, however, Poland was nothing like what Solidarity had planned. Structural adjustment plans drafted by the IMF forced the privatization of the former state-owned enterprises, so that before they could be transformed into the co-operative model they were picked up by foreign investors. Regulation was barred, and economics were formally separated from any form of political interference. A nationalist, left-leaning movement had been successfully utilized to break open a country into the purest form of neo-liberalism possible. However, abandoning earlier goals or changing rhetoric isn't something uncommon for grassroots movements. Clifford Bob pointed out that the NGOs' "concerns, tactics, and organizational requirements create a loose but real structure to which needy local insurgents must conform to maximize their chances of gaining supporters."

The writer further says that the Dialectic of Liberation despite its utilization of liberation movements as a medium for promoting strategic interests and capitalist integration, 'democracy promotion' paradoxically has a progenitor in the practice of colonialism. Colonialism, although dressed in a cloak of nationalism, has always been an affair of international economics. Cecil Rhodes sold imperialism to Great Britain by proclaiming that "in order to save the 40,000,000 inhabitants of the United Kingdom from a bloody civil war, we colonial statesmen must acquire new lands to settle the surplus population, to provide new markets for the goods produced by them in the factories and mines... If you want to avoid civil war, you must become imperialists." Rosa Luxemburg's analysis of the internationalization of capitalism followed this argument closely: "All conquerors pursue the aim of dominating and exploiting the country but none was interested in destroying their social organization. National liberation struggle built itself upon this pattern, and for a while it seemed as if Luxemburg's theories were being confirmed. From Algeria to Palestine to Vietnam, left-wing economic forms blended with the nationalist zeitgeist to produce revolutionary uprisings against the oppressors. Their post-revolutionary politics, however, paint a very

different picture from these earlier ambitions. Just as Russia had to turn to the IMF and open up its market in order to keep itself afloat (the rapid economic 'shock therapy' implemented by the post-Soviet leadership under Yeltsin proved to be the catalyst for a major economic downturn), liberated nations frequently find themselves in economic chaos and in need of a helping hand - a hand that international interests are willing to lend. Or as in the case of post-Apartheid South Africa, the exploiting elite remain a cog in the machinery of the nation.

Berger points out that Franz Fanon, a psychologist and veteran of the Algerian struggle, wrote in *The Wretched of the Earth* that the post-revolutionary domestic elite's "vocation is to not transform the nation but prosaically to serve as a conveyor belt for capitalism, forced to camouflage itself behind the mask of neo-colonialism. The national bourgeoisie, with no misgivings and great pride, revels in the role of the agent in its dealings with the Western bourgeoisie." Michael Hardt and Antonio Negri have also written about this odd paradigm, describing the national liberation struggle as one of the key factors in the development of the globalized market economy: ... the equation nationalism equals political and economic modernization, which has been heralded by leaders of numerous anti-colonial [sic] and anti-imperialist struggles from Gandhi and Ho Chi Minh to Nelson Mandela, really ends up being a perverse trick. This equation serves to mobilize popular forces and galvanize a social movement, but where does the movement lead and what interests does it serve? In most cases it involves a delegated struggle, in which the modernization project also establishes in power the new ruling group that is in charge of carrying it out... the revolutionaries get bogged down in 'realism', and modernization gets lost in the hierarchies of the world market... The nationalism of anti-colonial and anti-imperialist struggles effectively functions in reverse, and the liberated countries find themselves subordinated in the international economic order.

Edmund Berger says that the relationship between the grassroots liberation struggle and world capitalism is further revealed by taking into consideration the changing nature of the capitalist system. During the heyday of colonialism, capitalism was certainly inter-national but existed in a state centric form, but with the collapse of much of the old colonialist world - which had accelerated with the breakdown of the statist forms of capitalism advocated by the adherents of Keynesianism

- markets were unhinged from the state. It effectively transitioned into what Felix Guattari and other early theorists dubbed "Integrated World Capitalism," and what is commonly identified today as globalization. One of the by-products of this trans-nationalization of economics has been a shift in Fanon's 'domestic elites', who became what William Robinson calls the "transnational capitalist class (TCC)": the "the owners and managers of the TNCs [transnational corporations]" and the "transnational managerial elite" of the integrated world capitalist system. In Robinson's analysis, the TCC reject the Fordist-Keynesian class compromise, instead charging that they are characterized by "flexible' regime of accumulation" built on neoliberal programs such as de-regulation, informationalization (the rise of computerized data systems and other digital networks), and a new fluctuating nature of labour. They are inherently technocratic, relying on transnational regulatory agencies such as the World Trade Organization (WTO), the World Bank, and the International Monetary Fund (IMF) to manage the stateless economic system.

The writer says that individuals such as George Soros would fit into the TCC schema, as would many former activists involved in pro-democracy uprisings. We could use Vaclav Havel as an example here: he went from leading Czechoslovakia's Velvet Revolution against Soviet control (with NED support) to working with global capitalist institutions such as the New Atlantic Initiative, the Trilateral Commission, and the Orange Circle, an organization that assists transnational corporations invest in Ukraine.

Global elite figures such as Soros and Havel operate within informal transnational networks; just as sociologist G. William Domhoff has argued that domestic elite networks constitute an inordinate degree of influence over electoral politics, scholars such as Anne-Marie Slaughter (who was a member of Secretary of State Condoleezza Rice's Advisory Committee on 'democracy promotion') have identified transnational networks as forming a sort of global governance.

Here, the writer points out that this 'global governance' is not to be viewed through the lenses of conspiratorial thinking; it is an inherent by-product of the current epoch's transnational tendencies and not a creation of concentrated design. The problem does arise, however, when one considers that the power and influence of these elite networks create a governance system where the under-classes have less and less say in matters that affect their daily lives. Under the regime of neo-

liberalism, the market is well insulated from the powers of politics. As such, the so-called democracy practiced in 'developed' nations - and the kind being promoted to 'developing' nations - is more akin to a form of management than an expression of autonomy and empowerment. It is best described, following William I. Robinson, as a "low intensity democracy". As William Avilés writes:

Low-intensity democracies are limited democracies in that they achieve important political changes, such as the formal reduction of the military's former institutional power or greater individual freedoms, but stop short in addressing the extreme social inequalities within... societies. ...they provide a more transparent and secure environment for the investments of transnational capital... these regimes function as legitimizing institutions for capitalist states, effectively co-opting the social opposition that arises from the destructive consequences of neo-liberal austerity, or as Cyrus Vance and Henry Kissinger have argued, the promotion of 'pre-emptive' reform in order to co-opt popular movements that may press for more radical, or even revolutionary, change. Already practiced in the leading countries around the world, this is precisely the form that 'democracy-promoting' agencies hand down to grassroots movements seeking help in their domestic fights. The collapse of the Soviet Union and its subsequent transition into neo-liberal capitalism (a change assisted by the NED, among other US agencies) was heralded as a global victory for westernized 'democracies'.

Conservative and liberal pundits alike lauded the accomplishment and the dawn of a new order; these attitudes were personified in the now infamous *The End of History and the Last Man*, a Hegel-inspired tome by Francis Fukuyama that proclaimed that corporatist low-intensity democracy was the apex in cultural and political evolution. It should come as no surprise that Fukuyama has been an adviser to the NED, the Journal of Democracy, and Freedom House.

Berger says that still, there were scores of countries with dissident movements toiling under oppressive state regimes. For the western democratic project to be completed, these hold-outs would still need to be brought into or brought up to date in the transnational economic system, and as early anti-colonial struggles and 'democracy promotion' had proved, domestic grassroots movements provided the perfect vehicle for this integration. The post-Soviet globe saw the rise of non-state actors working for transition; the most notable being the hedge

fund billionaire George Soros, of whose Open Society Foundations have worked directly with the NED in promoting capitalist economics across central Europe and in Russia. Another major player has been the Carnegie Endowment for International Peace, a well-known but little discussed non-profit that "has throughout its history been closely connected with the State Department, successive presidents, numerous private foreign affairs groups and the leaders of the main political parties." 'Democracy promotion' received a new urgency in foreign policy during the administration of President Bill Clinton, thanks to the efforts of Larry Diamond, one of the founders of the Journal of Democracy. Diamond had also been an affiliate for the Progressive Policy Institute (PPI), a think-tank dedicated to promoting the "Third Way," a sort of American re-articulation of Europe's social market democracies; the organization had functioned as the 'brain trust' of the Democratic Party and can take credit for many of President Clinton's policy initiatives.

The Clinton administration's 'democracy promotion' agenda was furthered by the National Security Adviser, Anthony Lake. Lake, whose earlier credentials included having moved from the Carnegie Endowment for International Peace into Carter's State Department alongside Zbigniew Brzezinski (not to mention a later tenure on the board of Freedom House), went about establishing a task force to properly articulate this new foreign policy program. Together with Jeremy Rosner, a speechwriter at the NSC and Vice President for Domestic Affairs at the PPI, he drafted a four-point "blueprint" for enlarging "the world's free community of market democracies": ... (1) "strengthen the community of market democracies"; (2) "foster and consolidate new democracies and market economies where possible;" (3) "counter the aggression and support the liberalization of states hostile to democracy"; and (4) "help democracy and market economies take root in regions of greatest humanitarian concerns".

Towards the end of the chapter, the writer says that the similarities between the left and right-wings of the American political spectrum when it comes to foreign policy, which concerns itself less with multinational balances of power than with the exporting of capital-led governance structures, establishes a firm basis on which critiques of the prevailing socio-economic conditions can be built upon.

This, of course, is not a new tactic; it has been one of the longest running methodologies of analysis that dissent utilizes. But for far too long the

simple image of 'corporate colonialism' has been used to analyze the usage of militarized hard power; and the formations of soft power and the 'democracy promotion' process itself have been pushed to the margins of discourse. 'Democracy promotion', especially in relation to liberatory struggles and seemingly grassroots movements, needs to be rearticulated as a fundamental strategy of current US and European foreign policy. Only then can we clear a way through the uncomfortable questions and complexities that 'democracy promotion' provokes. This is not to say that we can only utilize critiques and analyses of 'democracy promotion' to examine the external actions of a country; it also allows us a chance to look inward at the dynamics driving our own internal political systems, and find a way to change the status quo in a time when democracy is only a game of the rich and powerful.

In chapter 19 titled **Egypt and International Capital: Is This What Democracy Looks Like?** Writer **Edmund Berger** concludes that this piece has not been an attempt to retell the story of the Egyptian Uprisings, but to provide a cursory outline of the foreign interest involved. Furthermore, the actions laid out in the previous pages should not be taken as an anti-'Arab Spring' tract, or some other attempt to smear the name of what is one of the most important paradigm shifts of the modern age, a true victory for people power and a warning to autocratic dictatorships around the globe. There are many works out there examining the same issue of 'democracy promotion' in Egypt, and a great deal of them castigate the uprisings as a planned revolution, a conspiracy birthed in the halls of the State Department and executed by agent provocateurs and useful idiots. I believe this approach to be wrong; espousing such a viewpoint has a built-in power system skewed towards the West, and reflects the same mentality that drove colonialism in the first place; that is, the idea that the developing world could not possibly accomplish something of this scale of its own accord.

The writer says that as mentioned earlier, 'democracy promotion' does not catalyze social unrest, it simply utilizes pre-existing discontents, identifies dissenters, provides help and support before adjusting to any political changes that ensue. For example, as the NED gave the Egyptian protests legitimate tools on how to raise voter awareness, monitor elections, etc, IRI chairman John McCain travelled to Egypt with John Kerry and a delegation of American businessmen representing firms such as Boeing, Coca-Cola, Dow, ExxonMobil, General Electric

and Marriot, among others. The New York Time's write-up on the trip described it as "part of a broader trip to advance American economic ties in the region" and quoted McCain as saying that "the success and failure of the revolution in this part of the Arab world will be directly related to the ability of providing investments and jobs for the Egyptian people." There is also the question of just how dynamic the relationship between 'democracy' promoters and their beneficiaries is. When I posed the question to Otpor's Ivan Marovic, he responded that "strong movements can engage with foreigners and maintain their independence. It is important to build the movement on your own first, because early support will eventually weaken the movement. It is better to spend some time on the margins and build your way up slowly so when this interaction happens you have enough leverage to drive the process." Professor Stephen Zunes, on the other hand, was a bit more wary of the NED specifically. "The NED is much more designed to promote the U.S. foreign policy agenda... Personally, I would have a hard time working with them or accepting any money from them."

Regardless of the opinions of those, like Marovic and Zunes, who operate on the periphery of the 'democracy promotion' apparatuses, subsequent events and agreements paint a clear portrait of why the State Department so eagerly engages in anti-regime activities. In early September, as the US government ironed out its debt-relief plans for Egypt, a delegation of over one-hundred businessmen - representing many of the same corporate firms that were involved in the Kerry/McCain expedition - travelled to Cairo to meet with Hassan Malik's Egyptian Business Development Association. Two weeks earlier, the IMF's managing director was also in Cairo, meeting with the top brass of the new government (including President Morsi himself) to draw up plans for a loan totaling somewhere between \$3.2 and \$4.8 billion.

As the protestors across the Eurozone know, entanglements with American business delegations and the IMF spell out one thing: austerity, despite whatever rhetoric about democracy flows down from the top as they make the painful cuts. There is no evidence to suggest that Morsi's government will be any different; he already "announced plans to privatize publicly owned enterprises, reduce the deficit via elimination of basic subsidies to the poor, de-regulate the economy to increase the flow of foreign capital and end labor strikes."

Says Edmund Berger: But even as 'democracy promotion' preaches

a message of global peace, and despite being driven primarily by economic imperatives, there absolutely exists the potentiality for negative reactions. This had already played out in Iraq, as America's actions fostered a massive counter-insurgency. It also shattered America's credibility on the world stage. When Russia emerged from the totalitarianism of the Soviet Union, the helping hand offered by the 'democracy' promoters, the World Bank, and the IMF quickly transformed it into a free-falling economy, with runaway wealth concentrating in the upper classes, while statistics relating to suicide and violent crime dramatically worsened. It has led to a place where authoritarian leaders such as Putin can put musicians behind bars for speaking freely, once again attracting the attention of the 'democracy' promoters in the State Department.

It is absolutely vital that real democracy be promoted, and from below, without the constraints and restraints of elite NGOs and the moneyed interests that they represent. Band-aids only have a limited effect, for only so long, and if the perpetual cycles of violence, poverty, and unrest are to be quelled, then a real structural and systematic change must occur.

In **chapter 20** titled **The Insidious Nature of 'Democracy Promotion': The Case of the Westminster Foundation for Democracy**, Writer **Rebecca Fisher** says that this article provides a prime example of the thinly-veiled neo-colonialist practices of so-called 'democracy promotion'. Faced with a protean and unpredictable social rebellion in oil-rich areas, the UK government, among others, is jumping upon the dismantling of the authoritarian power structures in these countries as an opportunity to shape their replacements, and to counter the threat of the formation of any political groups or blocs of power that might resist integration into the neoliberal economy and refuse corporate access to the area's land, labour and resources. Or as the FCO puts it, to establish "[p]olitically and economically open and inclusive societies" in the region. This intervention consists of both economic and political elements, the Arab Partnership Participation Fund (APPF) and the Arab Partnership Economic Facility (APEF).

The APPF is led by the Foreign and Commonwealth Office (FCO), and aims at "political reform" including "not just free and fair elections, but stronger parliaments, media and judiciaries". Meanwhile the aim of the APEF, led by the Department for International Development (DfID), is

to bring "expert advice on economic reform", by which they mean International Financial Institutions (IFIs) such as the World Bank and the African Development Bank, experts in the imposition of macro-economic policies which will aid economic liberalisation and corporate access. This new advice is provided in order to, "support economic reform and to build more inclusive, vibrant and internationally integrated economies". This twin strategy to open up and dominate the economies of this region, and to ensure that the domestic political and social structures will provide internal stability for these economic reforms demonstrates the

Geo-strategic need to mould evolving governments, misleadingly called 'democracy promotion' in order to sustain today's crisis-ridden neoliberal economy. Through a close examination of one 'democracy promotion' organisation, the Westminster Foundation for Democracy (WFD), (which is one of the organisations tasked with undertaking the FCO's Arab Partnership) this article will explore the relationship between economic and political co-option and the aim of control in countries seen as fertile for the economic and political rule of neoliberal capital. What will be revealed is the attempt to use 'democracy promotion' as a rhetorical device to facilitate the exertion of power and influence over putatively sovereign states.

Rebecca Fisher says that 'Democracy promotion' comprises the complex series of initiatives by governmental, intra-governmental or semi-private or private organisations and non-governmental organisations (NGOs) to influence, mould and direct political, economic and social change in ostensibly independent countries, in order to insulate the penetration of international capital in countries of geostrategic interest. The 'democracy' promoted by these organisations, is best characterised, following Robinson, as polyarchy, or "low-intensity democracy", a system in which "a small group actually rules and mass participation in decision-making is confined to leadership choice in elections carefully managed by competing elites."

She further says that such limited democracy has proved very successful in suppressing more organic, autonomous popular politics and containing resistance to the capitalist system in the West, and it is via these political foundations that the same model is now being exported. However, as market dominance intensifies, restructuring societies at the centre and periphery of capital accumulation, widening the gulf

between rich and poor, both between and within countries, accelerating privatisations and enclosures of the few remaining commons, and causing environmental and agricultural catastrophes, political instability is sure to increase. Efforts to build consent for these policies, both in terms of the politicians, bureaucrats and technocrats implementing them, and civil society and the general public acquiescing to them, acquire increasing importance to the maintenance of the neoliberal capitalist order.

Since the early 1980s, the militaristic, coercive foreign policy of states such as the United States and Great Britain has been reinforced and complemented by the promotion of this empty form of democracy.

While, of course, force and co-option have always been used in tandem, and direct coercion is clearly still a vital weapon of foreign policy – with ideological justifications such as humanitarianism now often aiding their legitimisation - the use of ‘democracy promotion’ as a rhetorical device to mould the political structures of targeted countries has emerged as the political counterpart to neo-liberalism, with the two in tandem enabling material and ideological social control. Rather than directly and covertly manipulating the political leaders and elites from above via military interventions, assassinations and coups to produce a regime which will adhere to transnational and corporate interests, as the ‘CIA did in Chile, Iran, Nicaragua and elsewhere, the preferred strategy is now to mould political systems, civil society organisations and political parties from below, in the name of ‘democracy promotion’.

Fisher says that this aims to hardwire the same result into their political landscapes under the cover of democracy.

The intensified focus on civil society - i.e. social and political formations outside of the direct purview of the state such as churches, political parties, trades unions, NGOs, social movements and so on - is hardly surprising given their ability to channel popular opinion and political activity. The results of such interventions can be seen most visibly in the so-called colour revolutions of former Soviet countries.

Today, a vast array of ‘democracy promotion’ organisations have emerged, primarily from North America and Europe, and operate all over the world. The most famous are the US-based National Endowment for Democracy (NED) and Freedom House but others include government and intra-government institutions such as USAID,

DfID and the United Nations Development Program.

The writer says that Like most other European 'democracy promotion' organisations, the WFD was a governmental response to the break up of the Soviet Union, in order to establish influence over the newly opened economies of Eastern and Central Europe. It was established in 1992 by the FCO, modelled upon the far larger NED, which was founded in 1983. It has since broadened its focus from the former Soviet states to include East and West Africa, the Middle East and to a lesser but growing extent Asia (currently Bangladesh and Pakistan). Its work is divided into two main areas: firstly, its own 'parliamentary strengthening' programmes, in which the WFD fund carefully selected and closely monitored national and international civil society organisations; and secondly, 'political party development programmes' which provides ideological and political support, including trainings and exchange visits, via British political parties, to political parties in the WFD's target countries.

The writer further says that when and where the WFD chooses to operate strongly attests to the political nature of its work. The WFD's 'support' involves intervention in the policy-making process of ostensibly sovereign states, influencing and shaping their society, economy and culture. However, the WFD is far less explicit in its promotion of specific market reforms than the US equivalent organisations. It is nonetheless possible to see the WFD's influence over economic matters, such as the fact that their 'democracy strengthening' work includes advice on budget writing. The WFD's Corporate Plan 2011-15 describes its work on financial oversight as focusing on "strengthening parliament's authority and ability to agree national spending priorities" which clearly has a very prescriptive role to "ensure that specific policy areas are being funded adequately to meet policy objectives, and conduct budgetary and expenditure oversight". This demonstrates the WFD's intention to influence key decision making concerning government spending. The WFD also actively attempts to influence policy-making more generally. For instance, the 2011 programmes in the Middle East and North Africa involve training "Researchers, activists and experts from Tunisia and Egypt... to write policy analysis and recommendations" and developing a "guidebook on best practice in policy making."

Fisher says that support' to encourage specific policy decisions is undertaken even when faced with local political resistance. The Westminster Consortium Annual Report cites "Lack of political will

for reform" as an "External Risk" of "Medium" probability and impact to their project. As a "Mitigation Measure" the Consortium suggests that they "[b]uild a good relationship with parliamentary leadership and continue to encourage reform". This potential for resistance is well acknowledged by the WFD, who have tricks up their sleeve in order to legitimate their hoped for reforms, and to insulate them from the wider public, which is only symbolically 'consulted' at election times. In keeping with the tradition of 'democracy promotion', a major part of the WFD's work involves the training and cultivation of civil society. Like many other such organisations the WFD devotes considerable attention to political parties. Moulding non-state actors, who both provide the appearance of public engagement and construct policy, is crucial to influencing a government's decision-making and maintaining the illusion of democracy, and thus political stability. The WFD does not limit its engagement with civil society to political parties. Wider civil society, which has at least the potential to remain outside established parliamentary structures, constitutes a crucial battleground, in which 'democracy promoters' around the world are determined to gain a dominant position, in order to win vital legitimacy and authority. If successfully influenced, co-opted or controlled, civil society organisations can provide a veneer of democracy while in fact remaining more responsive to interests other than of the local population, and malleable to their foreign donors through their close relationships with and ideological allegiances to them. NGOs especially, are traditionally deployed within established political structures to effect and sanction policy changes, obviating the need to engage with the wider populace. Further, civil society groups that are incorporated into these 'democratic' structures are rendered largely unable to offer structural critiques of the system they are now a part of, and so can channel public debate away from such critiques, redirecting or neutering people's disaffection. Such groups can thus act more as a buffer to protect powerful interests from the threat of broader popular participation, than as the buffer protecting the public from the abuses of power that they are frequently portrayed as being by the media and the 'democracy promotion' industry.

Rebecca Fisher says that another concern of WFD programmes is training and developing links with local journalists, in an attempt to influence how events and issues are reported. Journalism is seen as crucial to "informing and manipulating public opinion, educating a

mass public, influencing the culture of a general population"; it thus can make a "major contribution to the shifts in power and social relations in an intervened country, to the relationships between leaders and masses and between parties and social groups, and to the political behaviour in general of the population."⁶⁸ Emphasis on media training is typical in 'democracy promotion' organisations. The WFD organises several trainings for journalists in which they promote a kind of false objectivity of the UK media that disguises the fact that certain ideologies, favourable to elites are honoured while other are suppressed.

Towards the end she says that the 'democracy' that is promoted does not receive the same degree of public scrutiny and condemnation as the military ventures, yet this serves to disguise a crucial part of the weaponry of North American and European governments and their fundamental support of neo-liberal global capitalism. For organisations like the WFD directly intervene in policy-making and governmental structures, ideologically mould and train political parties, cultivate civil society organisations who will respect and engage with this limited democracy, and through networking among and between foundations and governmental and civil society actors normalise 'democratic' standards that facilitate the penetration of global capital across the world, the suppression of mass popular participation in the political decision-making process, and thus the foreclosing of the development of truly participatory democracies.

'Democracy promotion' organisations represent a subtle yet crucial means of accommodating other countries to the needs and ideals of global capitalism. It is only by examining them, including relatively small ones like the WFD, and seeing behind the language of neutrality to reveal their deeply ideological and undemocratic objectives, that we can fully discern the crucial mechanisms through which neoliberal capitalist norms and aims have been engineered, embraced, and embedded throughout the world.



PEACE

PEACE : Popular Education & Action Center
A-124/6 (2nd Floor) Katwaria Sarai,
New Delhi - 110 016

email: peaceact@gmail.com